



MEDIBIOS LABORATORIES LIMITED

Our Company was incorporated on March 8, 1995 as “Medibios Laboratories Private Limited” vide Registration no. 11- 86180 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Maharashtra at Mumbai. Subsequently, our Company was converted into a Public Limited Company pursuant to a Special Resolution passed by the Members of our Company in the Extraordinary General Meeting held on February 9, 2018 and the name of our Company was changed to Medibios Laboratories Limited vide Fresh Certificate of Incorporation consequent upon conversion issued by Registrar of Companies, Maharashtra at Mumbai dated March 7, 2018. The Corporate Identification Number of our Company is U24230MH1995PLC086180. For further details please refer to chapter titled “*History and Certain Corporate Matters*” beginning on page 166 of this Draft Prospectus.

Registered Office: 102, Shree Mangalam, 1st floor, Kulupwadi, Borivali (E) Mumbai - 400066, Maharashtra, India

Corporate Office: 301, Western Edge - I, Above Metro Mall, Off Western Express Highway, Borivali [East], Mumbai: 400 066

Registered Office Tel No.: +91-22-28841049, +91-22-28841045; **Corporate Office Tel No:** +91-22-28541760; **Email:** compliance@medibios.in, **Website:** www.medibios.in

Contact Person: Sangeeta Dhanuka, Company Secretary & Compliance Officer

Promoter of our Company: Tushar Korday, Rajendra Gole, Shailaja Korday and Jyoti Gole

THE ISSUE

INITIAL PUBLIC ISSUE OF UPTO 22,90,800 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH (“EQUITY SHARES”) OF MEDIBIOS LABORATORIES LIMITED (“OUR COMPANY” OR “ISSUER”) FOR CASH AT A PRICE OF [·] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS. [·] PER EQUITY SHARE) (“ISSUE PRICE”) AGGREGATING TO RS. [·] LAKHS (“ISSUE”) CONSISTING OF A FRESH ISSUE OF UPTO 15,55,200 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH (“EQUITY SHARES”) FOR CASH AT A PRICE OF [·] PER EQUITY SHARE AGGREGATING TO RS. [·] LAKHS (“ISSUE”) AND [·] EQUITY SHARES OF FACE VALUE OF RS. 10 EACH (“EQUITY SHARES”) FOR CASH AT A PRICE OF RS. [·] PER EQUITY SHARE AGGREGATING TO RS. LAKHS THROUGH AN OFFER FOR SALE BY EMIL PHARMACEUTICAL INDUSTRIES PRIVATE LIMITED (REFERRED AS SELLING SHAREHOLDER) OF WHICH UPTO 1,15,200 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH FOR A CASH PRICE OF RS. [·] PER EQUITY SHARE, AGGREGATING TO RS. [·] 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 UPTO 21,75,600 EQUITY SHARES OF FACE VALUE OF RS. [·] EACH AT AN ISSUE PRICE OF RS. [·] PER EQUITY SHARE AGGREGATING TO RS. [·] LAKHS (IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [·]% AND [·]%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED “TERMS OF THE ISSUE” BEGINNING ON PAGE 230 OF THIS DRAFT PROSPECTUS.

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10.00 EACH AND THE ISSUE PRICE IS [·]. THE ISSUE PRICE IS [·] TIMES OF THE FACE VALUE.

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, 2009, AS AMENDED. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED “ISSUE PROCEDURE” BEGINNING ON PAGE 240 OF THIS DRAFT PROSPECTUS.

All the investors applying in a public offer shall use only Application Supported by Blocked Amount (ASBA) facility for making payment providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) as per the SEBI circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. For further details, please refer to section titled “*Issue Procedure*” beginning on page 240 of this Draft Prospectus.

ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled “*Issue Procedure*” beginning on page 240 of this Draft Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares of the Company is Rs. 10.00 per equity share and the Issue Price is [·] times of the face value. The Issue Price (will be determined and justified by our Company & Selling Shareholder in consultation with the Lead Manager as stated under the paragraph “*Basis for Issue Price*” on page 113 of this Draft Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of our Company 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 our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of this Prospectus. **Specific attention of the investors is invited to the section titled “*Risk Factors*” beginning on page 21 of this Draft Prospectus.**

COMPANY’S & SELLING SHAREHOLDER ABSOLUTE RESPONSIBILITY

Our Company & Selling Shareholder have made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and this Issue, which is material in the context of this 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 Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, the Selling Shareholder accepts responsibility that this Draft Prospectus contains all information about itself as the Selling Shareholder in the context of the Offer for Sale and assumes responsibility for statements in relation to itself included in this Draft Prospectus.

LISTING

The Equity Shares offered through this Draft Prospectus are proposed to be listed on the SME Platform of National Stock Exchange of India Limited (“NSE” i.e. “NSE EMERGE”). In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended, we are not required to obtain an in-principle listing approval for the shares being offered in this issue. However, our Company has received an approval letter dated [·] from NSE for using its name in this offer document for listing of our shares on the SME Platform of NSE (“NSE EMERGE”). For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited.

LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE



Asit C. Mehta Investment Intermediates Ltd
Nucleus House, Saki Vihar Road,
Andheri East, Mumbai,
Maharashtra, 400072 India
Tel No.: 022 2858 4545
Fax No.: 022 2857 7647
Email: ib@acm.co.in
Investor Grievance Email: investorgrievance@acm.co.in
Website: www.investmentz.com
Contact Person: Purvi Ambani
SEBI Regn. No.: INM000010973



Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East), Mumbai – 400059,
Maharashtra, India
Tel No.: 022 6263 8200
Fax No.: 022 6263 8299
Email: ipo@bigshareonline.com
Investor Grievance Email: investor@bigshareonline.com
Website: www.bigshareonline.com
Contact Person: Babu Rapheal
SEBI Regn. No.: INR000001385

ISSUE PROGRAMME

ISSUE OPENS ON: [·]

ISSUE CLOSES ON: [·]

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

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction

**SECTION I: GENERAL
DEFINITIONS AND ABBREVIATIONS**

This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time.

The words and expressions used in this Draft Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under.

Notwithstanding the foregoing, terms used in of the sections “Statement of Tax Benefits”, “Financial Information of the Company” and “Main Provisions of Articles of Association” on pages 116, 195 and 281 respectively, shall have the meaning ascribed to such terms in such sections.

Unless the context otherwise indicates, all references to “Medibios”, “the Company”, “our Company”, “the Issuer”, “we”, “us” and “our” are references to Medibios Laboratories Limited, a Company incorporated in India under the Companies Act 1956 having its Registered office at 102, Shree Mangalam, 1st Floor, Kulupwadi, Borivali (E) Mumbai - 400066 IN and “you”, “your” or “yours” refer to Prospective investors in this Issue.

Company related terms

Term	Description
AOA / Articles / Articles of Association	Articles of Association of Medibios Laboratories Limited, as amended from time to time.
Associate Companies	A body corporate in which any other company has a significant influence, but which is not a subsidiary of the company having such influence and includes a joint venture company.
Auditors/ Statutory Auditors	The Auditors of Medibios Laboratories Limited being M/s Anil Thakrar & Co., Chartered Accountants.
Audit Committee	The Committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Bankers to the Company	Kotak Mahindra Bank Limited
Board of Directors / the Board / our Board	The Board of Directors of Medibios Laboratories Limited, including all duly constituted Committees thereof.
CIN	Corporate Identification Number.
Chief Financial Officer	The Chief Financial Officer of our Company being Sharvari Sawant
Companies Act / Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Sangeeta Dhanuka
CSR Committee	The Corporate Social Responsibility committee of our Board constituted in accordance with the Companies Act, 2013
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depositories	National Securities Depository Limited (NSDL) and Central Depository

Term	Description
	Services (India) Limited (CDSL).
DIN	Directors Identification Number.
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified.
Equity Shares	Equity Shares of the Company of Face Value of Rs.10/- each unless otherwise specified in the context thereof.
Equity Shareholders	Persons/ Entities holding Equity Shares of our Company.
Executive Directors	Executive Directors are the Managing Director & Whole time Directors of our Company
Factory/ Manufacturing Facility	Plot No. J-76 & J-76PT, MIDC, Tarapur, Boisar, Dist. Thane: 401 506
Group Companies/ Group Company	The word “group companies”, wherever they occur, shall include such companies as covered under the applicable accounting standards and also other companies as considered material by the board of the company as disclosed in “Our Group Companies” promoted by the Promoters on page 189 of this Draft Prospectus.
HUF	Hindu Undivided Family.
IBC	The Insolvency and Bankruptcy Code, 2016
IFRS	International Financial Reporting Standards
Independent Director	A Non- executive, Independent Director as per the Companies Act, 2013 and the Listing Regulations
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	International Securities Identification Number. In this case being – [.]
IT Act	The Income Tax Act,1961 as amended till date
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013. For details, see section entitled “Our Management” on page 170 of this Draft Prospectus.
JV/ Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on February 19, 2018, in accordance with the requirements of the SEBI (ICDR) Regulations
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Medibios Laboratories Limited as amended from time to time.
Nomination and Remuneration Committee	The Nomination and remuneration committee of our Board constituted in accordance the Companies Act, 2013 and the Listing Regulations
Non- Executive Director	A Director not being an Executive Director or an Independent Director
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Offered Shares	Collectively, the shares offered by Promoter
Peer Review Auditor	Independent Auditor having a valid Peer Review certificate in our case being KPND & Co., Chartered Accountants.

Term	Description
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoters	Shall mean promoters of our Company i.e. Tushar Korday, Rajendra Gole, Shailaja Korday and Jyoti Gole.
Promoter Group	Includes such Persons and entities constituting our promoter group covered under Regulation 2(1)(zb) of the SEBI (ICDR) Regulations as enlisted in the section titled “Our Promoter and Promoter Group” beginning on page 183 of this Draft Prospectus.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office of our Company	Registered Office of our Company situated at 102, Shree Mangalam, 1st Floor, Kulupwadi, Borivali (E) Mumbai.
Reserve Bank of India/RBI	Reserve Bank of India constituted under the RBI Act.
Restated Financial Information	The restated audited financial statements of our Company, which comprises of the restated audited balance sheet, the restated audited profit and loss information and restated audited cash flow information, as at and for years ended March 31, 2013, 2014, 2015, 2016 & 2017 and period ended January 31, 2018 together with the annexure and notes thereto as disclosed in chapter titled “ <i>Financial Information of the Company</i> ” beginning on page 195 of this Draft Prospectus
RoC/ Registrar of Companies	Registrar of Companies, Maharashtra, Mumbai
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI (ICDR) Regulations /ICDR Regulation/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI on August 26, 2009, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, 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.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations, 2015/SEBI Listing Regulations/Listing Regulations/SEBI (LODR)	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
Selling Shareholder	Emil Pharmaceutical Industries Limited
SICA	Sick Industrial Companies (Special Provisions) Act, 1985.
Stakeholder’s	Stakeholder’s relationship committee of our Company constituted in

Term	Description
Relationship Committee	accordance with Regulation 20 of the SEBI (LODR) Regulations and Companies Act, 2013
Stock Exchange	Unless the context requires otherwise, refers to, National Stock Exchange of India Limited
Sub- Account	Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Working Day	Before filing of Prospectus with Registrar of Companies : shall mean all business days on which commercial banks in Mumbai are open for business; After filing of Prospectus to Issue Closure : shall mean all business days on which commercial banks in Mumbai are open for business excluding Saturdays, Sundays and a public holiday; After Closure of Issue to Listing of Shares: Shall mean all trading days of stock exchange excluding Sundays and Bank holidays.

Issue Related Terms

Terms	Description
Allotment/Allot/Allotted	Unless the context otherwise requires, means the allotment of Equity Shares, pursuant to the Issue to the successful applicants.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an applicant as proof of registration of the Application.
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
Allottee (s)	A successful applicant to whom the Equity Shares are allotted.
Applicant/ Investor	Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application form.
Application Amount	The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of Draft Prospectus.
Application Form	The form, whether physical or electronic, used by an Applicant to make an application, which will be considered as the application for Allotment for purposes of this Draft Prospectus.
ASBA Account	Account maintained by the ASBA Investor with an SCSB which will be blocked by such SCSB to the extent of the Application Amount of the ASBA Investor.
ASBA Application Location (s)/ Specified Cities	Cities as specified in the SEBI Circular No. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely, Ahmedabad, Bangalore, Baroda (Vadodara), Chennai, Delhi, Hyderabad, Jaipur, Kolkata, Mumbai, Pune, Rajkot and Surat
Bankers to the Issue	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being [·]
Banker to the Issue Agreement	Agreement dated [●] entered into amongst the Company, Selling Shareholder, Lead Manager, the Registrar and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful applicants under the issue and which is described in the chapter titled “ <i>Issue Procedure</i> ” beginning on page 240 of the Draft Prospectus.
Broker Centres	Broker centres notified by the Stock Exchanges, where the investors 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

Terms	Description
	Brokers are available on the websites of the Stock Exchange.
BSE	BSE Limited
Business Day	Monday to Saturday (except 2 nd and 4 th Saturday of the month and public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will 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
Collecting Depository Participants or CDPs	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 coordinate with the LM, the Registrar to the Issue and the Stock Exchange.
Demographic Details	The demographic details of the applicants such as their Address, PAN, name of the applicants father/husband, investor status and Bank Account details.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Designated Date	On the Designated Date, the amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Issue Account and/ or unblocked in terms of the Draft Prospectus
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the Applicant and a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com
Designated Intermediaries/Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity)
Designated Market Maker	Asit C. Mehta Investment Interrmediates Ltd
Designated Stock Exchange	National Stock Exchange of India Limited (SME Exchange) ("NSE EMERGE")
DP	Depository Participant

Terms	Description
DP ID	Depository Participant's Identity Number
Draft Prospectus	Draft prospectus dated [·] issued in accordance with Section 26 of the Companies Act, 2013.
Eligible NRI	A Non Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Draft Prospectus will constitute an invitation to subscribe for the Equity Shares.
Equity Shares	Equity Shares of our Company of face value Rs. 10.00 each
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity shares issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
FII/ Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by the SEBI.
Issue Agreement	The Agreement dated March 28, 2018 between our Company, Selling Shareholders and LM
IPO	Initial Public Offering.
Issue/Public Issue/Issue size/ /Initial Public Offer/ IPO	The Public Issue of up to 22,90,800 Equity shares of Rs. 10/- each at issue price of Rs. [●]/- per Equity share, including a premium of Rs. [●]/- per equity share aggregating to Rs. [●]comprising of a Fresh Issue of up to 15,55,200 Equity Shares and the Offer for Sale up to 7,35,600 Equity Shares by Selling Shareholder.
Issue Closing Date	The date after which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in a English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations.
Issue Opening Date	The date on which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting Application

Terms	Description
	for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations.
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 Applications.
Issue Price	The Price at which the Equity Shares are being issued by our Company under this Draft Prospectus being [●] per equity share.
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 96 of the Draft Prospectus
Listing Agreement	The Equity Listing Agreement to be signed between our Company and NSE.
LM/Lead Manager	Lead Manager to the Issue, in this case being Asit C. Mehta Investment Intermediates Limited (ACMIIL).
Lot Size	[·]
Market Maker	Member Brokers of NSE who are specifically registered as Market Makers with the NSE Emerge Platform. In our case, Asit C. Mehta Investment Intermediates Limited is the sole Market Marker.
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker
Market Maker Reservation Portion	The reserved portion of up to 1,15,200 Equity Shares of Rs. 10/- each at an Issue price of [●] each aggregating to [●] Lakhs to be subscribed by Market Maker in this issue.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of up to 21,75,600 Equity Shares of Rs. 10/- each at a price of [●] per Equity Share (the “Issue Price”), including a share premium of Rs. [●]/- per equity share aggregating to Rs. [●] lakhs.
Net Proceeds	The Issue Proceeds received from the fresh Issue excluding Issue related expenses. For further information on the use of Issue Proceeds and Issue expenses, please refer to the section titled “ <i>Objects of the Issue</i> ” beginning on page 96 of this Draft Prospectus.
Non-Institutional Investors	Investors other than Retail Individual Investors, NRIs and QIBs who apply for the Equity Shares of a value of more than Rs. 2,00,000/-
NSEL/NSE	National Stock Exchange of India Limited
NSE EMERGE	The SME platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter X-B of the SEBI ICDR Regulations.
Other Investor	Investors other than Retail Individual Investors. 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.
Overseas Corporate Body/ OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.

Terms	Description
Prospectus	The prospectus, filed with the ROC in accordance with the provisions of Section 26 and Section 28 of the Companies Act, 2013, containing, inter alia, the Issue Price will be determined before filing the Prospectus with ROC
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the Applicant, on the Designated Date.
Qualified Institutional Buyers/ QIBs	A Mutual Fund, Venture Capital Fund and Foreign Venture Capital Investor registered with the SEBI, a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with SEBI; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of Rs. 25.00 Crore; a pension fund with minimum corpus of Rs. 25.00 Crore; National Investment Fund set up by resolution No. F. No. 2/3/2005 – DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.
Registrar/ Registrar to the Issue/ RTA/ RTI	Registrar to the Issue being Bigshare Services Private Limited
Registrar to the Company	Registrar to the Company being Bigshare Services Private Limited
Registrar Agreement	The agreement dated March 28, 2018, entered into between our Company, the selling shareholder and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registered Broker	Individuals or companies registered with SEBI as “Trading Members”(except Syndicate/Sub-Syndicate Members) who hold valid membership of NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on http://www.nseindia.com/membership/content/cat_of_mem.htm
Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 as amended from time to time.
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	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.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s).
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.
SEBI SAST / SEBI	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as

Terms	Description
(SAST) Regulations	amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Self Certified Syndicate Bank(s) / SCSB(s)	Banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services of ASBA, including blocking of bank account, a list of which is available http://www.sebi.gov.in/pmd/scsb.pdf
SME Exchange	SME Platform of the NSE i.e. NSE EMERGE
SEBI(PFUTP) Regulations/PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
Share Escrow Agreement	The Share Escrow Agreement dated [●] between our Company, Selling Shareholders, Lead Manager and Escrow Agent
Transaction Registration Slip/ TRS	The slip or document issued by the member of the Syndicate or an SCSB (only on demand) as the case may be, to the Applicant as proof of registration of the Application.
Underwriters	The Lead Manager who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement [●] entered between the Underwriters, Lead Manager, Selling Shareholders and our Company.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Working Day	Any day, other than Saturdays or Sundays, on which commercial banks in India are open for business, provided however, for the purpose of the time period between the Issue Opening Date and listing of the Equity Shares on the Stock Exchanges, “Working Days” shall mean all trading days excluding Sundays and bank holidays in India in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

Technical and Industry Related Terms

Term	Description
AIDS	Acquired Immuno Deficiency Syndrome
ANDA	Abbreviated New Drug Application
API	Active Pharmaceutical Ingredient
BMI	Business Monitor International
DMF	Drug Master File
EDQM	European Directorate of Quality Medicines
FDA	Food and Drug Administration
GMP	Good Manufacturing Practice
NIPER	National Institute of Pharmaceutical Education and Research
OTC	Over the Counter
PHARMEXCIL	Pharmaceuticals Export Promotion Council of India
TAF	Tenofovir Alafenamide
USFDA	US Food and Drug Administration

Abbreviations

Abbreviation	Full Form
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
ACA	Associate Chartered Accountant
ACS	Associate Company Secretary
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
ASEAN	Association of Southeast Asian Nations
AMT	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B. A	Bachelor of Arts
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
BMI	Business Monitor International
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited (formerly known as the Bombay Stock Exchange Limited)
BSE SENSEX	Sensex in an index; market indicator of the position of stock that is listed in the BSE
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CA	Chartered Accountant
CB	Controlling Branch
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CS & CO	Company Secretary & Compliance Officer
CENVAT	Central Value Added Tax
CFO	Chief Financial Officer
CST	Central Sales Tax
CWA/ICWA	Cost and Works Accountant
CMD	Chairman and Managing Director
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India

Abbreviation	Full Form
DMF	Dimethylformamide
DP	Depository Participant
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortization
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM/ Policy	EXIM Export – Import Policy
FCNR Account	Foreign Currency Non Resident Account
FIPB	Foreign Investment Promotion Board
FY Fiscal/Financial Year	/ Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FCNR Account	Foreign Currency Non Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in 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 Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act,1992.
FTA	Foreign Trade Agreement.
FTP	Foreign Trade Policy, 2009
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FV	Face Value
GoI/Government	Government of India
GDP	Gross Domestic Product
GAAP	Generally Accepted Accounting Principles of India
GST	Goods and Service Tax
GVA	Gross value Added
HNI	High Net Worth Individual
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
ICWAI	The Institute of Cost Accountants of India
IIM	Indian Institute of Management

Abbreviation	Full Form
IIT	Indian Institute of Technology
IMF	International Monetary Fund
INR/ /Rupees	Indian Rupees, the legal currency of the Republic of India
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
i.e.	That is
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
LM	Lead Manager
Ltd.	Limited
MAT	Minimum Alternate Tax
MoF	Ministry of Finance, Government of India
M-o-M	Month-On-Month
MOU	Memorandum of Understanding
M. A	Master of Arts
M. B. A	Master of Business Administration
M. Com	Master of Commerce
MD	Managing Director
Mn	Million
M. E	Master of Engineering
M. Tech	Masters of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MAPIN	Market Participants and Investors Database
MSMEs	Micro, Small and Medium Enterprises
MoA	Memorandum of Association
MOSPI	Ministry of Statistics and Programme Implementation
NA	Not Applicable
Networth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus(Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure(to the extent not written off) and debit balance of Profit & Loss Account
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NPV	Net Present Value
NRIs	Non Resident Indians
NRE Account	Non Resident External Account
NRO Account	Non Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited

Abbreviation	Full Form
OCB	Overseas Corporate Bodies
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PhD	Doctor of Philosophy
PAC	Persons Acting in Concert
PE	Private Equity
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
RBI	The Reserve Bank of India
Registration Act	Registration Act, 1908
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self Certified Syndicate Banks
SEBI	Securities and Exchange Board of India
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section
SPV	Special Purpose Vehicle
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
UN	United Nations
UK	United Kingdom
US/U.S./United States/USA/U.S.A.	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
VAT	Value Added Tax
VC	Venture Capital
VCF / Venture Capital Fund	Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
WDV	Written Down Value
WHO	World Health Organisation
WTD	Whole Time Director

Abbreviation	Full Form
w.e.f.	With effect from
YoY	Year over Year

The words and expressions used but not defined in this Draft Prospectus will have the same meaning as assigned to such terms under the Companies Act, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, the Depositories Act and the rules and regulations made there under.

Notwithstanding the foregoing, terms in “*Main Provisions of the Articles of Association*”, “*Statement of Tax Benefits*”, “*Industry Overview*”, “*Regulations and Policies in India*”, “*Financial Information of the Company*”, “*Outstanding Litigation and Material Developments*” and “Part B” of “*Issue Procedure*”, will have the meaning ascribed to such terms in these respective sections.

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

Certain Conventions

All references in the Draft Prospectus to “India” are to the Republic of India. All references in the Draft Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America.

In this Draft Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Medibios Laboratories Limited”, and “Medibios”, and, unless the context otherwise indicates or implies, refers to Medibios Laboratories Limited. In this Draft Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lac / Lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”. In this Draft Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

Use of Financial Data

Unless stated otherwise, throughout this Draft Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Draft Prospectus is derived from our financial statements prepared and restated for the financial year ended 31st March 2017, 2016, 2015, 2014 and 2013 and also for the stub period ended January 31, 2018 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2009 included under Section titled “Financial Information of the Company” beginning on page 195 of this Draft Prospectus. Our Company does not have a subsidiary. Accordingly, financial information relating to us is presented on both Standalone basis. Our fiscal year commences on April 1 of every year and ends on March 31st of every next year.

There are significant differences between Indian GAAP, the International Financial Reporting Standards (“IFRS”) and the Generally Accepted Accounting Principles in the United States of America (“U.S. GAAP”). 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 practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited. We have 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.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in the Draft Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Review Auditor, set out in section titled “*Financial Information of the Company*” beginning on page 195 of this Draft Prospectus.

For additional definitions used in this Draft Prospectus, see the section “*Definitions and Abbreviations*” on page 2 of this Draft Prospectus. In the section titled “*Main Provisions of Articles of Association*”, on page 281 of the Draft Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

Use of Industry & Market Data

Unless stated otherwise, industry and market data and forecast used throughout the Draft prospectus was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information

contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although, we believe industry and market data used in the Draft Prospectus is reliable, it has not been independently verified by us or the LM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI (ICDR) Regulations, the section titled "***Basis for Issue Price***" on page 113 of the Draft Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the LM, have independently verified such information.

Currency of Financial Presentation

All references to "Rupees" or "INR" or "Rs." are to Indian Rupees, the official currency of the Republic of India. Except where specified, including in the section titled "Industry Overview" throughout the Draft Prospectus all figures have been expressed in thousands, Lakhs/Lacs, Million and Crore.

Any percentage amounts, as set forth in "***Risk Factors***", "***Our Business***", "***Management's Discussion and Analysis of Financial Conditions and Results of Operation***" on page 21, 131 & 196 in the Draft Prospectus, unless otherwise indicated, have been calculated based on our restated respectively financial statement prepared in accordance with Indian GAAP.

The Draft Prospectus contains conversion of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI (ICDR) Regulations. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

FORWARD LOOKING STATEMENTS

This Draft Prospectus includes certain “forward-looking statements”. We have included statements in the Draft Prospectus which contain words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward-looking statements”. Also, statements which describe our strategies, objectives, plans or goals are also forward looking statements.

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

1. Disruption in pharmaceutical industry.
2. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
3. Inability to successfully obtain registrations in a timely manner or at all;
4. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
5. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
6. Disruption in supply of Raw Materials at our manufacturing facilities;
7. Recession in the market;
8. Changes in laws and regulations relating to the industries in which we operate;
9. Effect of lack of infrastructure facilities on our business;
10. Occurrence of Environmental Problems & Uninsured Losses;
11. Our ability to successfully implement our growth strategy and expansion plans;
12. Our ability to meet our capital expenditure requirements;
13. Our ability to attract, retain and manage qualified personnel;
14. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
15. Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
16. The timely completion of the Company’s projects;
17. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
18. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
19. Conflicts of interest with affiliated companies, the promoter group and other related parties;
20. The performance of the financial markets in India and globally;
21. Any adverse outcome in the legal proceedings in which we are involved;
22. Our ability to expand our geographical area of operation;
23. Concentration of ownership among our Promoters.

For further discussion of factors that could cause our actual results to differ, see the Section titled “*Risk Factors*”; “*Our Business*” & and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 21, 131 & 196 respectively of the Draft Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what

actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Neither our Company, our Directors, Selling Shareholder, our Officers, Lead Manager and Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company, Selling Shareholder 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 for the Equity Shares allotted pursuant to this Issue.

SECTION II: RISK FACTORS

An investment in our Equity Shares involves a high degree of financial risk. Prospective investors should carefully consider all the information in the Draft Prospectus, particularly the **“Financial Information of the Company”** and the related notes, **“Our Business”** and **“Management’s Discussion and Analysis of Financial Condition and Results of Operations”** on page 195, 131 & 196 respectively of this Draft Prospectus and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.

The risk factors set forth below are not exhaustive and do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, individually or together, could adversely affect our business, financial condition, results of operations or prospects, which could result in a decline in the value of our Equity Shares and the loss of all or part of your investment in our Equity Shares. While we have described the risks and uncertainties that our management believes are material, these risks and uncertainties may not be the only risks and uncertainties we face. Additional risks and uncertainties, including those we currently are not aware of or deem immaterial, may also have an adverse effect on our business, results of operations, financial condition and prospects.

This Draft Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

Materiality

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

1. Some events may not be material individually but may be found material collectively.
2. Some events may have material impact qualitatively instead of quantitatively.
3. Some events may not be material at present but may be having material impact in future.

Note:

The risk factors as envisaged by the management along with the proposals to address the risk if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section.

In this Draft Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in **“Risk Factors”** on page 21 and **“Management Discussion and Analysis of Financial Condition and Results of Operations”** on page 196 of this Draft Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the "Audited Financial Statements, as restated" prepared in accordance with the Indian Accounting Standards

INTERNAL RISK FACTORS

1. There are outstanding legal proceedings involving our Company and Group Company.

There are certain outstanding legal proceedings involving our Company and Group Company. These proceedings are pending at different levels before tax authorities and courts. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and quantifiable and includes amounts claimed from our Company and the Group Company. We cannot assure you that these proceedings will be decided in our favour or in favour of our Group Company, as applicable. Any unfavourable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our reputation, business and results of operation. Certain details of such outstanding litigations as of date of this Draft Prospectus are as follows:

Pending Litigations involving our Company		
Nature of Cases	No. of Outstanding Cases	Amount Involved (in Rs. lakhs)
Criminal Proceedings	Nil	Nil
Actions by Statutory/Regulatory Authorities	Nil	Nil
Taxation (Direct and Indirect)	1	39.18
Other Pending Litigations	Nil	Nil
Total	1	39.18
Litigations involving our Group Company		
Nature of Cases	No. of Outstanding Cases	Amount Involved (in Rs. lakhs)
Criminal Proceedings	1	40.40
Actions by Statutory/Regulatory Authorities	Nil	Nil
Taxation (Direct and Indirect)	3	535.91
Other Pending Litigations	Nil	Nil
Total	4	576.31

For further details, see Section titled “*Outstanding Litigations and Material Developments*” on Page 206 of this Draft Prospectus.”

2. Our Company has not complied with some statutory provisions of the Companies Act and FEMA Regulations. Such non-compliance may attract penalties against our Company.

Our Company has not complied with certain statutory provisions under the Companies Act in the past, for instance:

- our Company has also failed to file Form 23 for appointment of Tushar Korday as Managing Director in the financial year 2010-11 and subsequently for reappointment in the financial year 2013-14 as per Section 192 of Companies Act, 1956.
- we failed to appoint a Company Secretary despite having crossed the limit of paid-up capital in accordance with the provisions of Section 203 of the Companies Act, 2013 read with rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. However, we have complied with the above provisions now.
- our Company has not opened a separate Bank Account in a Scheduled Bank for making payment of dividend as per the requirements of Section 123 of the Companies Act, 2013.

- our Company has failed to file Form MGT-14 for making investments in Medvin Pharma Limited in the financial year 2014-15 as per the provisions of Section 117 read with Section 179 of the Companies Act, 2013.
- Non compliance with Section 185 of the Companies Act, 2013 as our Company provide a Corporate Guarantee to our Group Company.

Our Company has made some clerical mistakes in the forms filed with Registrar of Companies and also some cases where forms have not been filed or have been filed belatedly. These mistakes occurred due to absence of professional guidance on the matter; we did not follow the prescribed procedures as laid down under the relevant sections of Companies Act. Although upon discovery of the aforesaid fact our company has made the necessary compliance under the Companies Act as on date and is in process of rectifying and re-establishing some of the necessary the compliance. In case of any cognizance being taken we may be subjected to penalty in respect of them. Although no show cause notice have been issued against the Company till date in respect of above, but in case of any such event we may be subjected to penal actions from the concerned authorities for the same.

3. *Our success depends on our ability to develop and commercialize new products in a timely manner. Our investments in research and development to build our product pipeline may not achieve expected profits.*

We largely depend on commercialization of new pharmaceutical products across various markets around the globe. We must successfully develop, test and manufacture products which meet regulatory and safety standards and receive requisite regulatory approvals from authorities. The process of development and commercialization of pharmaceutical formulations is quite tedious as it involves significant investments and entails a high degree of business risk. Our overall profitability depends on our ability to introduce new generic products in a timely manner, to continue to manufacture products cost-efficiently and to manage the life cycle of our global generic portfolio. We invest a high amount of resources to develop new products. The time from commencing of R&D activity to a possible commercial launch of a product varies between six months to three years and involves multiple stages during which the product may be abandoned as a result of factors such as developmental problems, the inability to achieve our clinical goals, the inability to obtain necessary regulatory approvals in a timely manner or at all, and the inability to produce and market such new products successfully and profitably. Our products currently under development, if and when fully developed and tested, may not perform as we expect. Our investment in the R&D of new products may result in significant cost with no assurances of future revenues or profits. Delays in any part of the process or our inability to obtain regulatory approvals for our products could have a material adverse effect on our business, prospects, results of operations and financial condition by restricting or delaying the introduction of new products.

4. *Improper storage, processing or handling of raw materials and packaging materials may result in spoilage of and damage to them, which may adversely affect our business prospects, results of operations and financial condition.*

We manufacture pharmaceutical products from active pharmaceutical ingredients, additives colour, etc. These materials are to be stored in adequate temperature, moisture and humidity in a controlled environment. In the event that the procured raw materials are not appropriately stored, handled and transported under proper conditions, the quality of our final products may be affected, which may result into final products with impurities. Any sale of such non-compliant product may be harmful to the health of end consumers of our products, and any such event may expose us to liabilities and claims which could adversely affect our performance and reputation. Any such event may have a material and adverse effect on our business prospects, results of operations and financial condition. We store our product by using HVAC systems around our premises which ensures that our products are stored in controlled environment. Besides raw materials, packaging materials like aluminum

straps are also supposed to be stored in controlled environment as the straps are in direct contact with the final product. Contamination in straps and other packaging materials may prove harmful to the final product and expose us to liabilities and claims.

5. ***Any manufacturing defects or quality control problems may subject us to regulatory action, damage our reputation and have an adverse effect on our business, results of operations, financial condition and cash flows.***

Our manufacturing facility situated at Tarapur, Mumbai has received approvals from WHO - GMP certification, FDA Philippines, CDDA Sri Lanka, NDA Uganda, FDA Myanmar and DPML – Ivory Coast. In addition to Indian regulations, we are required to comply with regulations and quality standards stipulated by such international regulators. Our manufacturing facilities and products are subject to audit by regulatory agencies and if we are not in compliance with any of their requirements, our facilities and products may be the subject of a warning letter or sanctions, which could result in the withholding of product approval and the shutdown of our facilities. As part of it we are also required to meet quality standards and other specifications set out in our license agreements and other contractual arrangements. We face the risk of loss resulting from, and the adverse publicity associated with, manufacturing or quality control problems, including at the stage of manufacturing of final dosage form. Such adverse publicity may harm the brand image of our products. Failure to comply with these regulatory requirements, or the receipt by these customers of warning or deficiency letters from regulators could adversely affect the demand for our products. We may also be subject to claims resulting from manufacturing defects or negligence in storage and handling of our pharmaceutical products. In certain foreign jurisdictions, the quantum of damages, especially punitive, awarded in cases of product liability can be high. The existence or threat of a major product liability claim could damage our reputation and affect customers' views of our products. Product liability claims, regardless of their merits or the ultimate success of the defense against them, are costly. Any loss of our reputation or brand image may lead to a loss of existing business contracts and affect our ability to enter into additional business contracts in the future, which may have an adverse effect on our business, results of operations, financial condition and cash flows.

6. ***We are subject to extensive government regulation and if we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required to operate our business, then our business, results of operations and cash flows may be adversely affected.***

Our operations are subject to extensive government regulation and we are required to obtain and maintain a number of statutory and regulatory permits and approvals under central, state and local government rules in India, generally for carrying out our business and for each of our manufacturing facilities. For details of applicable regulations and approvals relating to our business and operations, see ***“Government and Other Approvals”*** on page 212. Also, many international regulatory authorities may approve our manufacturing facilities before we sell our products, irrespective of whether these products are approved in India. A majority of these approvals are granted for a limited duration and require renewal. The approvals required by our Company are subject to numerous conditions and we cannot assure you that these would not be suspended or revoked in the event of non-compliance or alleged noncompliance with any terms or conditions thereof, or pursuant to any regulatory action. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business. If we fail to comply with applicable statutory or regulatory requirements, there could be a delay in the submission or grant of approval for sale of new products. In many of the international markets where our products are ultimately sold, the approval process for a new product can be complex, lengthy and expensive. The time taken to obtain

regulatory approvals varies by country but generally takes between six months and several years from the date of application. If we fail to obtain such approvals, licenses, registrations and permissions, in a timely manner or at all, our business, results of operations, cash flows and financial condition may be adversely affected.

7. *Our business agreements include certain restrictive covenants which may restrict our business operations.*

We enter into various agreements for our business operations, including manufacturing agreements, license agreements, development agreements, services agreements and supply agreements. These agreements contain restrictive terms, including obligations to:

- conform the quality of our products to standards set by international organizations and in our contractual arrangements,
- provide reports pertaining to our manufacturing operations from time to time,
- permit our licensors and clients to inspect our facilities and conduct audits,
- transfer intellectual property and know-how pertaining to any improvements made in products during our
- not to sub-contract the manufacturing process

Our customers also have the right to reject delivery of products which do not comply with their requirement or which fail the testing procedures set out in their agreements. In the event, that we are unable to meet such obligations, our customers may terminate their agreements with us and choose to work with our competitors, and we may be required to indemnify them on terms set out in the agreements. Compliance with these requirements may restrict our ability to undertake certain business operations and may increase our compliance costs.

8. *Significant disruptions of information technology systems or breaches of data security could adversely affect our business.*

We depend upon information technology systems, including internet-based systems, for our business operations. The size and complexity of our computer systems make them potentially vulnerable to breakdown, malicious intrusion and computer viruses. Although we have not experienced any significant disruptions to our information technology systems, we cannot assure you that we will not encounter disruptions in the future. Any such disruption may result in the loss of key information and disruption of production and business processes, which could adversely affect our business, results of operations and cash flows. In addition, our systems are potentially vulnerable to data security breaches, whether by employees or others that may expose sensitive data to unauthorized persons. Such data security breaches could lead to the loss of trade secrets or other intellectual property, or could lead to the public exposure of personal information (including sensitive personal information) of our employees, customers and others. We currently use TCS iON software for our accounting, finance and manufacturing details. Any such security breaches could have an adverse effect on our business, reputation, results of operations, cash flows and financial condition.

9. *We are yet to place orders for most of the plant & machinery for our proposed object, as specified in the Objects of the Issue. Any delay in placing orders, procurement of plant & machinery may delay our implementation schedule and may also lead to increase in prices of these plant & machinery, further affecting our revenue and profitability.*

Although we have identified the type of plant and machinery required to be bought for our proposed manufacturing facility, we are yet to place orders for most of the plant & machinery worth as detailed in the —Objects of the Issue beginning on page 96 of this Draft Prospectus. These are based on our estimates and on third-party quotations, which are subject to a number of variables, including possible cost overruns, changes in management’s views of the desirability of current plans, change in

supplier of equipments, among others, which may have an adverse effect on our business and results of operations. Further, we cannot assure that we would be able to procure these plant and machinery, or procure the same within budgeted costs and timelines. Delays in acquisition of the same could result in the cost and time overrun in the implementation of the Project, which would have a material adverse affect on our business, results of operations and financial condition. For further details, please refer to the chapter titled "*Objects of the Issue*" beginning on page 96 of this Draft Prospectus.

10. *Delay in schedule of implementation may subject our Company to risks related to time and cost overrun which may have a material adverse effect on our business, results of operations and financial condition.*

Our Company is currently proposing to expand and modernize our manufacturing facility. A significant portion of net proceeds from the Issue is allocated for capital expenditure for modernization and expansion of our current manufacturing facility For further details regarding to our proposed project, please refer the chapter titled "*Objects of the Issue*" on page 96 of this Draft Prospectus. We may face risks relating to the commissioning of our project including delays to construction timetables, failure to complete the projects within our estimated budget, failure of our contractors and suppliers to adhere to our specifications and timelines, and changes in the general economic and financial conditions in India. We have limited control over the timing and quality of services, equipment or other supplies from third party contractors and/or consultants appointed by us, and we may be required to incur additional unanticipated costs to remedy any defect or default in their services or products to ensure that the planned timelines are adhered to. Further as and when we commission our planned project, our material requirements and costs as well as our staffing requirements and employee expenses may increase and we may face other challenges in extending our financial and other controls to our new units as well as in realigning our management and other resources and managing our consequent growth. In the event that the risks and uncertainties discussed above or any other unanticipated risks, uncertainties, contingencies or other events or circumstances limit or delay our efforts to use the Net Proceeds to achieve the planned growth in our business, the use of the Net Proceeds for purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of your investment in our Equity Shares.

11. *The objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. Any variation in the estimates could affect our growth prospects.*

Our funding requirement for expansion and modernization facility is based on management estimates and has not been appraised by any bank or financial institution. Our funding requirements are based on our current business plan and may vary based on various factors including macroeconomic changes. In view of the dynamic nature of the industry in which we operate, we may have to revise our business plan from time to time and, consequently, the funding requirement and, the utilization of proceeds from the Issue may also change. This may also include re-scheduling the proposed utilization of Net Proceeds at the discretion of our management. We may make necessary changes to the utilisation of Net Proceeds in such cases in conformity with the provisions of the Companies Act in relation to the change in the objects in a public issue. In the event of any variations in actual utilization of funds earmarked for the above activities, any increased fund deployment for a particular activity may be met from funds earmarked from any other activity and/or from our internal accruals. Further, any such revision in the estimates may require us to revise our projected expenditure and may have a bearing on our expected revenues and earnings.

12. *The shortage or non-availability of power facilities may adversely affect our business operation and also our results of operations and financial condition.*

Our business of manufacturing of pharmaceutical products requires substantial amount of power facilities. Expenditure on electricity constitutes 2.72% of our total operational expenses for the period ended January 31, 2018 based on restated standalone financial results. The quantum and nature of power requirements of our industry and Company is such that it cannot be supplemented / augmented by alternative / independent sources of power supply since it involves significant capital expenditure and per unit cost of electricity produced is high. We are mainly dependent on State Government for meeting our electricity requirements. Any defaults or non-compliance of the conditions may render us liable for termination of the agreement or any future changes in the terms of the agreement may lead to increased costs, thereby affecting the profitability. Further, since we are majorly dependent on third party power supply; there may be factors beyond our control affecting the supply of power. Any disruption / non-availability of power shall directly affect our production which in turn shall have an impact on profitability and turnover of our Company.

13. *The average cost of acquisition of Equity Shares by our Promoters is lower than Issue Price.*

Our Promoters' average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price as decided by the Company in consultation with the Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to chapter titled —Capital Structure beginning on page 76 of this Draft Prospectus, respectively.

14. *Information relating to the historical capacity of our manufacturing facilities included in this Draft Prospectus is based on various assumptions and estimates and future production and capacity may vary.*

Information relating to the historical capacity of our production facilities included in this Draft Prospectus is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials and assumptions relating to potential utilization levels and operational efficiencies. Actual production levels and rates may differ significantly from the estimated production capacities or historical estimated capacity information of our facilities. Undue reliance should therefore not be placed on our historical capacity information for our existing facilities included in this Draft Prospectus.

15. *We are heavily dependent on our Promoters and Key Managerial Personnel for the continued success of our business through their continuing services and strategic guidance and support.*

Continued services of our Key Management Personnel supported by the contribution of our Promoters are the key to success of our Company. Our key day to day activities are looked after by our Key Managerial Personnel and we are dependent on our Key Management Personnel for the effective execution of the crucial day to day activities of our Company. The loss of any of our Promoters and Key Management Personnel, or failure to find and recruit suitable and comparable replacements could adversely affect our Company. Promoters and loss of their contribution and services and which are being offered to our Company. The loss of service of the Promoters and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. Also, our failure to retain qualified personnel at a reasonable cost may hamper the execution of Company's growth strategy. For further details of our Directors and key managerial personnel, please refer to Section "***Our Management***" on page 170 of this Draft Prospectus.

16. *Loans availed by our Company have been secured on personal properties of our Promoters. In case of invocation of such personal security provided by promoters of our Company, the reputation and net worth of our promoters may be adversely affected.*

Our Promoters have provided their personal properties as security to secure a considerable portion of our existing borrowings taken from Kotak Mahindra Bank Limited, and may continue to provide such security even after the Public Issue of shares of our Company. In case of a default under our

loan agreements, personal securities provided by our Promoters may be invoked which could negatively impact the reputation and net worth of our Promoter. Further, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse effect on our financial condition, business, results of operations and prospects and would negatively impact our reputation. We may also not be successful in procuring alternate guarantees/alternate security satisfactory to the lenders, as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows and degree of control over business. For further details regarding loans availed by our Company, please refer "**Statement of Financial Indebtedness**" on page 204 of this Draft Prospectus.

17. *We do not own the land on which our Factory, Registered Office and Corporate Officer are situated.*

The Land on which our Factory is situated is not owned by the Company but taken on lease basis. Our Factory is situated at Plot No. J 76, MIDC Tarapur, Tal-Palghar, Thane 401506, Maharashtra India, is taken on lease from MIDC Maharashtra. Our Registered and Corporate office has been taken on rent from our Group Companies, M/s Emil Holdings Private Limited and Emil Pharmaceutical Industries Private Limited. As per the rent agreements, any breach of the terms / non-renewal of the rent 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. However, the lease land taken from MIDC is for 95 years, there can be assurance that agreement for renewal of lease will be entered into. In the event of non-renewal of lease agreement, we may be required shift our Factory to a new location and there can be no assurance that the arrangement we enter into for new premises would be on same terms and conditions as per the present one.

18. *The Promoters and Directors of our Company have a potential conflict of Interest.*

Our promoters and directors are interested in few of our Group Companies which has potential conflict of interest with our Company. Tushar Korday, Promoter Chairman and Managing Director is interested in Emil Pharmaceutical Industries Limited, Avenir Laboratories Private Limited and Biovy Healthcare Private Limited. Rajendra Gole, Promoter and Whole-time Director is interested in Emil Pharmaceutical Industries Private Limited and Avenir Laboratories Private Limited. Yogesh Gole is interested as Director in Biovy Healthcare Private Limited. Our promoters, Shailja Korday and Jyoti Gole are interested in Emil Pharmaceutical Industries Private Limited. All of these Companies are authorized to engage in pharmaceutical business through their memorandum of association. Our Company has internal policy for sharing of business with Emil Pharmaceutical Industries Private Limited wherein all transactions between those entities will be at arm's length price. For further details, please refer to Section "**Our Group Companies**" on page 189 and "Annexure 30 - Related Party Transactions" under the section "**Financial Statements**" on page 195 of this prospectus.

19. *Our success is largely dependent on the quality of our product as the industry in which we operate is very quality sensitive. Our inability to maintain the requisite standards of our product's quality may have an adverse impact on the business and reputation of our Company.*

Quality control is strictly ensured by our Quality Control Department at every stage of production, packaging and dispatch. We are also required to follow the proper control during our manufacturing. We are subjected to inspection of the manufacturing process and product from various agencies. In the event of our failure to maintain our quality, for any reason whatsoever, our business, reputation and results of operations would be adversely affected.

20. *We look forward for proper implementation of our business strategy in an effective manner with proper device of technology and manpower. We may not be able to sustain effective implementation of our business plans and growth strategy.*

Effective implementation and execution our business strategy in the most efficient manner determines the success of our Company. We believe that till date we have been able to successfully execute our business strategies in line with expectations. However, we cannot assure that our Company will sustain in doing the same in the future. If we are unable to implement our business plan and growth strategy, this may have an adverse effect on our business, financial condition and results of operations.

21. *Our business is substantially dependent on our key clients from whom we derive a significant portion of our revenues. The loss of any significant clients may have a material and adverse effect on our business and results of operations.*

We derive a significant portion of our revenues from a limited number of clients. For the ten months period ended January 31, 2018 our top five clients cumulatively accounted for more than 70% of our revenue from operations. In the event any one or more customers cease to continue doing business with us, our business may be adversely affected. The loss of such clients may be caused mainly because of competition. There may be factors other than our performance, which may not be predictable, which could cause loss of clients. Further, any significant reduction in demand for our products from our key clients, any requirement to lower the price offered by these clients, or any loss or financial difficulties caused to these clients, change in relationship with the clients could have a material adverse effect on our business, result of operations, financial conditions and cash flow.

While we are constantly striving to increase our customer base and reduce dependence on any particular customer, there is no assurance that we will be able to broaden our customer base in any future periods, or that our business or results of operations will not be adversely affected by a reduction in demand or cessation of our relationship with any of our major customers.

22. *Our Contingent Liability and Commitments could affect our financial position.*

As on January 31st, 2018 we had Contingent Liability of Rs. 4.82 Lakhs which has not been provided in our financial statements and which could affect our financial position. Details of Contingent Liabilities and commitments are as follows:-

Particulars	Amount (in Rs. Lakhs)
Contingent Liabilities:	
Claim against company not acknowledge as debt.	4.82
TOTAL	4.82

For further details on the same please refer section “**Financial Information**” beginning on page 195 of Draft Prospectus.

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

We are dependent on skilled and unskilled labour for our business activities. Non-availability of adequate labour at any time or any disputes with or within them may affect our production schedule and timely delivery of our products to customers which in turn may result in having adverse effect on our reputation, business and result of operations. Further, we have entered into contract for supply of labour so as to procure the requisite supply of labour as per the requirements of the business from time to time. We cannot assure that we will not experience disruptions to our operations due to shortage of labour, disputes or other problems with or within our work force and labour union, which may lead to strikes, lock- outs or increased wage demands. Such issues could have adverse effect on our business, and results of operations.

24. *Our Company has entered into various transactions with our Group Companies.*

Our Company has entered into various transactions with our Group Companies. For instance, payment of conversion charges, availing of premises on rental basis for using as registered office and corporate office. Although, we believe that all these transactions have been conducted on arm's length basis, however, we cannot provide assurance that we could not have availed better and more favourable terms than from transaction with related Parties. Our Company may continue to enter into such transactions in future also and we cannot assure that in such an event there would be no adverse effect on results of our operations. For details please refer to **Annexure 30 on Related Party Transactions** of the Auditor's Report under Section titled "**Financial Information**" beginning on page 195 of the Draft Prospectus.

25. We are subject to the restrictive covenants of Kotak Mahindra Bank Limited in respect of the Loans/ Credit Limits and other banking facilities availed from them.

Our financing arrangements contain restrictive covenants whereby we are required to obtain approval from our lender, regarding, among other things such as major Changes in Share Capital, changes in fixed assets, creation of any other charge, not to issue any personal guarantee by the guarantors to others, 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 and/ or pay higher interest rate on 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 see "**Statement of Financial Indebtedness**" on page 204 of the Draft Prospectus.

26. Since our Company is also engaged in exports, we are exposed to risk resulting from foreign exchange rate fluctuations, which could adversely affect our results of operations.

During Financial Year 2016-17 and Financial Year 2015-16, our export sales contributed approximately ₹ 7.11 Crores & ₹ 6.34 Crores and the same constitutes 13.53%, and 15.20%, respectively, of our gross sales. Our Company's operational results are affected due to any change in currency exchange rates influence our Company's results of operations. Some of our expenses are also denominated in currencies other than Indian Rupees. Further, depreciation of the Indian Rupee against other foreign currencies may adversely affect our results of operations by increasing the cost of financing. Any adverse fluctuations in the value of the Indian Rupee against the relevant foreign currencies could affect our result of operation and financials.

27. Our operations are subject to adequate working capital requirements. Our inability to maintain an adequate level of working capital required for our business may impact our operations adversely.

The working capital required for business operations of our Company is primarily utilized towards debtors and inventories. We have been sanctioned Cash Credit of Rs. 300 lakhs and Working Capital Term Loan of Rs. 800.00 lakhs from Kotak Mahindra Bank Limited. There may be an increase in the level of funds required to be deployed in current assets due to increasing growth in level of our business. Our inability to maintain sufficient cash flow, credit facility and other sourcing of funding, in a timely manner, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. Further, we have significantly higher amounts due from our debtors which may result in a high risk in case of non-payment or delay by these debtors. In case of any such defaults/delays from our debtors, may affect our business operations and financials.

For further details regarding working capital requirement, please refer to the section "**Objects of the Issue**" on page 96 of this Draft Prospectus.

28. *In past few years our Company has faced negative cash flows from investing and financing activities. Any further negative cash flow may adversely affect the liquidity and financial condition of the Company.*

Our Company has faced negative cash flows from our investing and financing activities. The details of cash flows of last five years from operating, investing and financing activities are given in the table below: -

Particulars	Jan 31, 2018	For the year ended March (in Rs. in Lakhs)				
		2017	2016	2015	2014	2013
Net cash flow from Investing activities	-198.10	-307.06	-334.65	-356.70	-86.90	-205.39
Net cash flow from Financing activities	185.76	-216.75	-206.91	63.73	-255.69	-195.37

For details, please see the chapter titled “*Financial Information*” on page 195 of this Draft prospectus. Any negative cash flows in the future could adversely affect our results of operations and consequently our revenues, profitability and growth plans.

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

We may be exposed to business risks or losses including regulatory actions and serious harm to our reputation resulting from misconduct or errors of our Employees. There can be no assurance that we will be able to detect and track such misconduct. Moreover, the precautionary measures taken by our Company to prevent and detect such instances may not be effective in all cases. Our employees may also commit errors which may result in proceedings for alleged negligence, claims and regulatory actions against our Company due to which our business, financial condition, results of operations and goodwill could be adversely affected.

30. *Industrial accidents at our production facility may adversely affect our operation*

During the production process or otherwise, our factory labourers may be exposed to accidents while using of machineries, which can cause injury to the labourers and employees of the company and this could also cause damage to the property and plant and machinery situated at the factory which could have an adverse affect on our operation. Though, we have taken adequate safety measures and also insurance policies to safeguard from damage but we cannot assure you. In case of any such accident claims will be honored by the insurance companies or not. Also, occurrence of such accidents could impact our production and consequently affect our profitability, cash flows and reputation.

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

We may not declare dividends in the foreseeable future in order to retain all our future earnings for use in the operations and expansion of our business. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares prices will appreciate. Further, our past dividends shall not be used as base for considering future

dividends. For details of our Dividend history refer to the Section “*Dividend Policy*” on page 194 of the Draft Prospectus.

32. *There is no monitoring agency appointed by Our Company to monitor the utilization of the Issue proceeds.*

As per SEBI (ICDR) Regulations, 2009, as amended, appointment of monitoring agency is required only for Issue size above Rs. 10,000.00 Lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, utilization of proceeds will be monitored by the audit committee of our Board in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the Stock Exchange and shall also if any simultaneously make the material deviations / adverse comments of the audit committee public.

33. *Our Promoters and the Promoter Group will jointly continue to retain majority shareholding in our Company after the Offer, allowing them to determine the outcome of the matters requiring the approval of shareholders.*

Our promoters along with the promoter group will continue to hold collectively more than 73% of the equity share capital of the company which allows them to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholders by vote. Such degree of control over the ownership may also have the effect of delaying, preventing or deterring any change in the control of our company. Further, with the majority shareholding, our promoters and promoter group may continue to take decisions which may conflict with our interest or the interest of some or all of our minority shareholders. We cannot assure that such actions will not have any adverse effect on our future financials or results of operations.

34. *Industry information included in this Draft Prospectus has been derived from industry reports not commissioned by us for such purpose. There can be no assurance that such third party statistical, financial and other industry information is either complete or accurate.*

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Draft Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual numbers may differ materially from those included in this Draft Prospectus.

35. *The shareholding of the Investor may get diluted on any future issuance of Equity Shares by our Company and any sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.*

The Shareholding of the investor may get diluted on any future issuance of Equity Shares by our Company. Further, although the entire Post-Issue paid-up share capital, held by our Promoters or other shareholders will be locked-in for a period of 1 (one) year and minimum promoter contribution subject to a minimum of 20% of our post-Issue paid-up capital will be locked-in for a period of 3

(three) years from the date of allotment of Equity Shares in the Issue, upon listing of our Equity Shares on the Stock Exchanges, Sale of our Equity Shares by any of our significant shareholders may adversely affect the trading price of our Equity Shares and could impact our ability to raise capital through an offering of our securities. For further information relating to such Equity Shares that will be locked-in, please refer to the section titled “*Capital Structure*” beginning on page 76 of the Draft Prospectus. Any future issuance or sale of the equity shares of our company by our Promoter or by other significant shareholder(s) or any perception or belief that such sales of Equity Shares might occur may significantly affect the trading price of our Equity Shares.

36. ***Within the parameters as mentioned in the chapter titled “Objects of this Issue” beginning on page 96 of this Draft Prospectus, our Company’s management will have flexibility in applying the proceeds of this Issue.***

We intend to use significant amount of fresh Issue Proceeds towards expansion and modernization of our manufacturing facility and to meet the issue expenses. We intend to deploy the Net Issue Proceeds in financial year 2018-19 and such deployment is based on certain assumptions and strategy which our Company will implement in future. The funds raised from the fresh Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled —Objects of the Issue beginning on page 96 of this Draft Prospectus. The deployment of funds for the purposes described above is at the discretion of our Company’s Board of Directors. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled “*Objects of the Issue*” beginning on page 96 of this Draft Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. Our Board of Directors will monitor the proceeds of this Issue.

EXTERNAL AND ISSUE RELATED RISK FACTORS

37. ***Government taxation policies have played a vital role in success of our business. Any changes in policies, particularly with regards to tax and its implications can significantly affect our business operations.***

The union government declared a ten year excise holiday and a five year income tax exemption in states of Himachal Pradesh, Uttaranchal and Jammu & Kashmir in 2002 to give a boost to these traditionally backward states. These concessions were notified in 2003 and by early 2005, entrepreneurs started setting up industrial ventures in these states especially in pharmaceutical sector from Gujarat, Punjab, Maharashtra and Delhi. Baddi, Himachal Pradesh shows at most attraction and numerous pharmaceutical manufacturing units were set up therein. When the duty free scheme was launched by the union government, the excise on pharmaceuticals was 16 per cent outside the free zones and that was what actually lured the companies to these locations. The duty was later reduced to four per cent over the years and with that the units outside free zones started getting more benefits through reimbursement by way of MODVAT. We suffered heavily in terms of revenues because of shift by our major customers to procure pharmaceutical products from Baddi and other tax free regions. As seen historically, government has been keen on providing tax exemption to pharmaceutical industry which provides better opportunity to migrant units. Any changes in policies, particularly with regards to tax and its implications can significantly affect our business operations.

38. ***Reforms in the healthcare industry and the uncertainty associated with pharmaceutical product pricing and related matters could adversely affect the pricing and demand for our products.***

Our success will depend, in part, on the extent to which government and health administration authorities and other third party purchasers will pay for drugs that contain our products. Increasing expenditures for healthcare have been the subject of considerable public attention in almost every

jurisdiction where we conduct business. Both private and governmental entities are seeking ways to reduce or contain health care costs by limiting both coverage and the level of reimbursement for new therapeutic products. In many countries in which we currently operate, including India, pharmaceutical prices are subject to regulation. Any restriction on the ability of our customers to freely pay prices for drugs that contain our products, may in turn adversely affect our ability to freely price our products and consequently reduce our profits. In particular, prices of certain pharmaceutical products are determined by the Drug Prices Control Order, 2013, promulgated by the Indian Government. Further, the National Pharmaceuticals Pricing Policy, 2012 lays down the principles for pricing essential drugs as specified in the National List of Essential Medicines 2011, to ensure the availability of such medicines at reasonable prices. The National Pharmaceutical Pricing Authority (the “NPPA”) has notified the ceiling price for several formulations under the Drug Prices Control Order, 2013 and formulations included in the National List of Essential Medicines –2011. As such, we cannot assure you that such pricing restrictions imposed by the NPPA will not adversely affect us in the future.

39. *There are restrictions on daily movements in the price of the Equity Shares placed by the stock exchanges on which the company is listed, 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.*

We would be subject to circuit breakers limits imposed by the stock exchange once our company gets listed on the stock exchange, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. The stock exchanges set the percentage limit on circuit breakers based on the historical volatility in the price and trading volume of the Equity Shares and the same limits can be changed by stock exchanges without our knowledge. This circuit breaker limits the daily upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may 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.

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

The Issue Price of our Equity Shares has been determined by Fixed Price method. Since, the price of the equity shares has been based on many factors, it may not be indicative of the market price of our Equity Shares after the Issue. For further information please refer the section titled “**Basis for Issue Price**” beginning on page 113 of the Draft Prospectus. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price or any price at all.

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

Under the Income-tax Act, 1961, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain above Rs. 1,00,000 realised on the sale of shares on a stock exchange held for more than 12 months will be subject to long term capital gains tax in India even if the securities transaction tax (“STT”) has been paid on the transaction as per new Finance Act, 2018. Further, any gain realised on the sale of shares on a stock exchange held for a period of 12 months or less will be subject to short term capital gains tax. Capital gains arising from the sale of shares will be exempt from taxation in India in cases where an exemption is provided under a tax treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of the shares subject to relief available under the applicable tax treaty or under the laws of their own jurisdiction.

42. *Our business is susceptible to negative impacts resulting from any downgrading of India's debt rating by a domestic or international rating agency.*

India's sovereign debt rating could be downgraded due to various factors, including but not limited to changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. Thus, our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available may get impacted adversely due to any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies. This may negatively affect our ability to obtain financing for capital expenditures owing to which our business, financial performance and price of our Equity Shares may get adversely affected.

43. *Regional hostilities, terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may result in a loss of investor confidence and adversely affect the financial markets and our business.*

Declaration of Emergency, Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. In addition, the Asian region has from time to time experienced instances of civil unrest and hostilities among neighbouring countries. Hostilities and tensions may occur in the future and on a wider scale. Military activity or terrorist attacks in India, may result in investor concern about stability in the region. Such occurrences are beyond the control of our Company and we cannot assure about non-happening of such events in the future. Such occurrences of events may adversely affect the price of our Equity Shares. Events of this nature in the future, as well as social and civil unrest within other countries in the world, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies, including our Equity Shares.

44. *Our business and financial performance may be adversely affected due to changing laws, rules and regulations and legal uncertainties in India, including adverse application of tax laws and regulations.*

Our business and financial performance may significantly depend upon the changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For further details please refer to the chapters "**Key Industry Regulations and Policies**" and "**Government and Other Approvals**" on page 153 and page 212 for details of the laws currently applicable to us. There can be no assurance that the central or the state governments in India may not implement new regulations and policies which will require us to obtain approvals and licenses from the central or the state governments in India and other regulatory bodies or impose onerous requirements and conditions on our operations. Further we cannot assure that any such changes and the related uncertainties with respect to the implementation of the new regulations may not have a material adverse effect on all our business, financial condition and results of operations. Further, we may be required to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. Any such future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

45. *Any change in the technology may render our current technologies obsolete or require us to make substantial capital investment to cope with the market.*

We may not be able to use all latest technologies available in International Markets. Any further up gradation in the technology may render our current technology obsolete and we may be required to upgrade the existing technology or implement new technology as per the changes in technological environment. Further implementing new technology may require us to incur huge capital expenditure which could affect our cash flows and result of operations.

46. *Obsolescence, destruction, theft, breakdowns of our major plants or machineries or failures to repair or maintain the same may affect our business, cash flows, financial condition and results of operations*

Obsolescence, destruction, theft or breakdowns of our plant or major machineries may significantly increase our machineries purchase cost and the depreciation of our plants and machineries. Further, such occurrences may change the way our management estimates the useful life of our plants and machineries. In such cases, it may prove to be difficult to acquire new plants or machineries or repair the damaged plants or machineries in time or at all, particularly where our plants or machineries are not readily available from the market or require services from original machinery manufacturers. Some of our major machineries or parts may be costly to replace or repair. We may experience significant price increases due to supply shortages, inflation, transportation difficulties or unavailability. Such obsolescence, destruction, theft, breakdowns, repair or maintenance failures or price increases may not be adequately covered by the insurance policies availed by our Company and may have an effect on our business, cash flows, financial condition and results of operations. For further details of our Plant and Machineries, please refer to chapter titled “*Our Business*” beginning on page 131 of the Draft Prospectus.

47. *Dependence upon transportation services for supply and transportation of our products are subject to various uncertainties and risks, and delays in delivery may result in rejection of products by customer.*

We do not have our own logistical infrastructure for transportation for supply of raw materials or our manufactured products. We are dependent on third parties rendering transportation services to deliver our products. Disruptions of transportation services because of weather related problems, strikes, lock-outs, inadequacies in road infrastructure or other events could impair our procurement of raw materials and our ability to supply our products to our customers. There is no assurance that such disruptions will not occur in the future. Any such disruptions could materially adversely affect our business, financial condition and results of operations.

48. *Our insurance coverage may not be adequate to protect us against certain operating hazards and this may have a material adverse effect on our business.*

Our Company has obtained insurance coverage in respect of certain risks. Our insurance coverage consists of Standard Fire and Special Perils Policy and Fire Floater Policy covering Factory Building, Plants and Machineries, Furniture and Fittings and Compound wall damage due to fire, earthquake and floods. Although, we believe that the insurance coverage maintained by us is adequate and consistent with the size of our business, there is no assurance that the insurance policy taken by us will be adequate for us to cover the losses. If we suffer any uninsured loss or if claim made by us in respect of an insurance is not accepted or any loss occurred by us is in excess of the insurance coverage. Such loss may adversely affect our operation, results and financials.

49. *Unanticipated shortage in supply of raw material and fluctuations in prices of raw materials for manufacturing our products could adversely impact our business.*

Our Manufacturing activities are mainly dependent on the procurement of various raw materials and packaging materials required for the manufacturing of our products. Thus, our manufacturing activity may be adversely affected by any upward fluctuations in the prices of various raw materials and packing materials and their availability. Further, we have not entered into any supply agreements with our suppliers for raw materials and all raw materials are bought by our Company from various suppliers on order to order basis. We may not be able to cope up with any upward fluctuation in the prices of the major raw materials or shortage in supply of any major raw material which may result in increase of cost of production / delays in production which may adversely impact the business and profitability of the Company. Further, with a view to reduce the cost of production and insulate from

future rise in prices or mitigate the risk of shortage of raw material, the Company tries to be innovative in sourcing of raw materials and packaging materials, and will continue to maintain this approach. However, in case we are not able to pass on any such increase in cost of production to the consumers because of competition or otherwise; it may affect the profitability of the Company.

50. *Disruptions in manufacturing activities such as delays in production, or shutdown of any of our manufacturing facilities, could adversely affect our business, results of operations and financial condition.*

Amongst other things, we are primarily dependent on the productivity and efficiency of our workforce, compliance with regulatory requirements and the continued and effective functioning of our manufacturing processes and machinery for the success of our manufacturing activities. Disruptions in our manufacturing activities by any reason whatsoever could delay the production or require us to shut down the affected manufacturing facility, which may adversely affect our operations and financial position. Further our manufacturing facility is located in Tarapur, Maharashtra. Any disruption in the location where our manufacturing facility is situated may also have an adverse impact on our operations.

51. *We may be subjected to incur substantial expenditure on claims and litigations arising out product liability claims that may not be covered by insurance and if the claim is successful, we may be required to pay substantial amounts for settlement or compensation, which may have adverse financial implications on financial aspects as well as reputation of our Company.*

We may be subjected to claims resulting from our manufacturing defects or negligence in storage, packaging or handling etc. which may lead to deficient safety norms, or inconsistency. Such claims may not be covered by insurance and may require us to incur expenses on litigation, divert management's time, adversely affect our reputation and impair the market of products. Although, our Quality Control Department carries out regular and thorough checks and tests of our product and we are liable for the quality of the products manufactured by us for the duration of their shelf life, if any. Further, In case of any such claim is sustained, it could have an adverse effect on our business, financial condition, results of operations and cash flows.

52. *Instability in financial markets could materially and adversely affect our results of operations and financial condition.*

Our financial and operational results are largely influenced by Indian economy and financial markets. Further, Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil in Latin American areas, East Asian, Central America, African countries and other areas of our business reach may affect our exports, business and financial performances directly. Further, any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy, which in turn may negatively impact the business and operations of the Company. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. Global economic, social and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. Any prolonged financial crisis may have an adverse impact on the Indian economy

and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

53. *Our Company is engaged in manufacturing of Pharmaceutical products, thus our revenues are largely dependent upon the growth and expansion of the pharmaceutical industry.*

Since we are engaged in the business of manufacturing pharmaceutical products, our financial performance depends significantly on the stability of the pharmaceutical industry. Further, we are also dependent on general economic conditions, including changes in gross domestic product as it directly or indirectly affects the industry in which our Company operates. Unfavourable conditions in or uncertainty about the markets or the economy could adversely impact our customers' confidence or financial condition. Other factors beyond our control, including the availability of raw material, machines required for production, prices, the state of the credit markets, including mortgages, loans and consumer credit and other conditions beyond our control, could further adversely affect demand for our products and services, our costs of doing business and our financial performance.

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

Our Business, operational results, financial conditions and price of the Equity Shares of the Company may get adversely affected on occurrence of natural calamity. India has experienced natural calamities such as earthquakes, tsunami, floods etc. These natural calamities are uncontrollable and the extent and severity of these natural disasters determine their impact on Indian economy and in turn its effect on the Company. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

55. *Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.*

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

56. *If certain labour laws become applicable to us, our profitability may be adversely affected.*

India has stringent labour legislations in order to protect the interests of workers. Labour laws in India set forth detailed procedures for dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Any change or modification in the existing labour laws may affect our flexibility in formulating labour related policies.

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

Changes in Government policies, including taxation, social, political, economic or other developments in or affecting India significantly influence our Business operations. 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 lead to frequent changes in economic and fiscal policies. Such changes in policies

adversely affect the Indian economy and the Indian securities markets in general, which could also affect the trading price of our Equity Shares.

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

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

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

The Indian securities markets are smaller than securities markets in more developed economies and the regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in the more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. The Indian stock exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading and limited price movements. A closure of, or trading stoppage on the stock exchange could adversely affect the trading price of the Equity Shares.

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

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

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

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

- custom duties on imports of raw materials and components;
- goods and service tax and other levies; and
- Other new or special taxes and surcharges introduced on a permanent or temporary basis from time to time.
- Income Tax

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

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

Our financial statements, including the restated financial information included in this Draft Prospectus are prepared in accordance with Indian GAAP and restated in accordance with the SEBI Regulations. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP. Public companies in India, including our Company, are required to prepare annual and interim financial statements under Indian Accounting Standard 101 “First-time Adoption of Indian Accounting Standards”.

On January 2, 2015, the Ministry of Corporate Affairs, Government of India (—MCAI) announced the revised roadmap for the implementation of Ind AS for companies other than banking companies, insurance companies and non-banking finance companies through a press release. On February 16, 2015, the MCA issued the Companies (Indian Accounting Standards) Rules, 2015 (—Indian Accounting Standard Rules) to be effective from April 1, 2015. The Indian Accounting Standard Rules provide for voluntary adoption of Ind AS by companies in financial year 2015 and, implementation of Ind AS will be applicable from April 1, 2016 to companies with a net worth of ` 5,000 million or more. Additionally, Ind AS differs in certain respects from IFRS and therefore financial statements prepared under Ind AS may be substantially different from financial statements prepared under IFRS. There can be no assurance that the adoption of Ind AS by our Company will not adversely affect its results of operation or financial condition. Any failure to successfully adopt Ind AS in accordance with the prescribed timelines may have an adverse effect on the financial position and results of operation of our Company.

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

As stated in the reports of the Peer Reviewed Auditor included in this Draft Prospectus under chapter - Financial Statements as Restated beginning on page 195, the financial statements included in this Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Prospectus. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Prospectus should accordingly be limited.

PROMINENT NOTES

1. Public Issue of up to 22,90,800 Equity Shares of face value of Rs. 10/- each of Medibios Laboratories Limited (“Medibios” or “Our Company” or “The Company”) for cash at a Price of Rs. [●] per Equity

Share (Including a Share Premium of Rs. [●] per Equity Share) (“Issue Price”) aggregating to Rs. [●] Lakhs, consisting of up to 15,55,200 Equity Shares would be fresh issue aggregating to Rs. [·] lakhs and 7,35,600 Equity Shares would be offered for sale by Emil Pharmaceutical Industries Private Limited (“Emil” or “Selling Shareholder”) aggregating to Rs. [●] Lakhs of which [●] Equity Shares at a price of Rs. [●] per Equity Share aggregating to Rs. [●] lakhs will be reserved for subscription by Market Maker (“Market Maker Reservation Portion”) and Net Issue to Public of up to 21,75,600 Equity Shares of Face Value of Rs. 10/- each at a price of Rs. [●]/- aggregating to Rs. [●] Lakhs (hereinafter referred to as the “Net Issue”) The Issue and the Net Issue will constitute 26.45% and 25.12% 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 other than retail individual investors;
 - 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 Net worth of our Company as on January 31, 2018, March 31, 2017 and March 31, 2016 was Rs. 2,539.50 lakhs, Rs. 2,031.50 lakhs and Rs. 1,467.37 lakhs respectively. For more information, see the section titled “**Financial Information of our Company**” beginning on page 195 of this Draft Prospectus.
4. The NAV or the Book Value per Equity Share, based on Restated Financials of our Company as on January 31, 2018, March 31, 2017 and March 31, 2016 was Rs. 35.74, Rs. 28.59 and Rs. 20.78 per equity share respectively. For more information, see the section titled “**Financial Information of our Company**” beginning on page 195 of this Draft Prospectus.
5. The average cost of acquisition of Equity Shares by our Promoters is set out below:

Sr. No.	Name of the Promoter	No. of Shares held	Average Cost of Acquisition (In Rs.)*
1.	Tushar Korday	6,72,048	3.56
2.	Rajendra Gole	5,47,368	3.59
3.	Shailaja Korday	11,89,410	3.33
4.	Jyoti Gole	13,24,020	2.61

For Further details please see the section “**Capital Structure**” on page 76 of this Draft Prospectus

6. We have entered into various related party transactions with related parties including our Promoter Group and Group Companies for the period ended January 31st 2018 & March 31st, 2017. For nature of transactions and other details as regard to related party transactions section titled “**Financial Statements - Annexure 30- Statement of Related Parties Transactions**” on page 195 of this Draft Prospectus.
7. None of our Group Companies have any business or other interest in our Company, except as stated in section titled “**Financial Statements - Annexure 30 - Statement of Related Parties Transactions**”

on page 195 and “*Our Promoter and Promoter Group*” and “*Our Group Company*” on page 183 and 185 respectively and to the extent of any Equity Shares held by them and to the extent of the benefits arising out of such shareholding.

8. Our Company was incorporated on March 8, 1995 as “Medibios Laboratories Private Limited” vide Registration no. 11- 86180 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Maharashtra at Mumbai. Subsequently, our Company was converted into a Public Limited Company pursuant to a Special Resolution passed by the Members of our Company in the Extraordinary General Meeting held on February 9, 2018 and the name of our Company was changed to Medibios Laboratories Limited vide Fresh Certificate of Incorporation consequent upon conversion issued by Registrar of Companies, Maharashtra at Mumbai dated March 7, 2018. The Corporate Identification Number of our Company is U24230MH1995PLC086180.

For details of change in our name and registered office, please refer to Section titled “*History and Certain Corporate Matters*” on page 166 of this Draft Prospectus.

9. None of our Promoter, Promoter Group, Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of Draft Prospectus.
10. Our Company, Promoter, Directors, Promoter Group, Group Company have not been prohibited from accessing the Capital Market under any order or direction passed by SEBI nor they have been declared as willful defaulters by RBI / Government authorities. Further, no violations of securities laws have been committed by them in the past or pending against them.
11. Investors are advised to see the paragraph titled “*Basis for Issue Price*” beginning on page 113 of this Draft Prospectus.
12. The Lead Manager and our Company and the Selling Shareholder shall update this Draft Prospectus and keep the investors / public informed of any material changes till listing of the Equity Shares offered in terms of this Draft Prospectus and commencement of trading.
13. Investors are free to contact the Lead Manager i.e. Asit C Mehta Investment Intermediates Limited for any clarification, complaint or information pertaining to the Issue. The Lead Manager and our Company shall make all information available to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever.
14. In the event of over-subscription, allotment shall be made as set out in paragraph titled “*Basis of Allotment*” beginning on page of this Draft Prospectus and shall be made in consultation with the Designated Stock Exchange i.e. National Stock Exchange of India Limited. 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.
15. The Directors / Promoters of our Company have no interest in our Company except to the extent of remuneration and reimbursement of expenses (if applicable) and to the extent of any Equity Shares of our company held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and/or trustee, and to the extent of benefits arising out of such shareholding and to the interest as disclosed in this Draft Prospectus. For further details please see the chapter titled “*Our Management*” beginning at page 170, chapter titled “*Our Promoter and Promoter Group*” and “*Our Group Company*” beginning at page 183 and 189

respectively, and chapter titled ***“Financial Information of the Company”*** beginning at page 195 of this Draft Prospectus.

16. No loans and advances have been made to any person(s) / companies in which Directors are interested except as stated in the Auditors Report. For details, please see ***“Financial Information of the Company”*** beginning on page 195 of this Draft Prospectus.
17. Trading in the Equity Shares for all investors shall be in dematerialized form only.
18. No part of the Issue proceeds will be paid as consideration to Promoter, Promoter Group, Directors, Key Managerial Personnel or Group Company except for the proceeds from the sale of sale by the selling shareholders through offer for sale.
19. For information on the changes of the objects clause of the Memorandum of Association of our Company, please refer to the chapter titled ***“History and Other Corporate Matters”*** beginning on page 166 of this Draft Prospectus.

SECTION III: INTRODUCTION SUMMARY OF OUR INDUSTRY

The information in this section is derived from industry sources and government publications. None of the company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current of reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on this information.

INDIAN PHARMACEUTICAL MARKET

The Indian pharmaceuticals market is the third largest in terms of volume and thirteenth largest in terms of value, and it accounts for 20 per cent in the volume terms and 1.4 per cent in value terms of the Global Pharmaceutical Industry as per a report by Equity Master. India is the largest provider of generic drugs globally with the Indian generics accounting for 20 per cent of global exports in terms of volume. Of late, consolidation has become an important characteristic of the Indian pharmaceutical market as the industry is highly fragmented.

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

The UN-backed Medicines Patent Pool has signed six sub-licences with Aurobindo, Cipla, Desano, Emcure, Hetero Labs and Laurus Labs, allowing them to make generic anti-AIDS medicine Tenofovir Alafenamide (TAF) for 112 developing countries.

Market Size

Indian pharmaceutical sector is estimated to account for 3.1 – 3.6 per cent of the global pharmaceutical industry in value terms and 10 per cent in volume terms. It is expected to grow to US\$100 billion by 2025. The market is expected to grow to US\$ 55 billion by 2020, thereby emerging as the sixth largest pharmaceutical market globally by absolute size, as stated by Mr Arun Singh, Indian Ambassador to the US. Branded generics dominate the pharmaceuticals market, constituting nearly 80 per cent of the market share (in terms of revenues). The sector is expected to generate 58,000 additional job opportunities by the year 2025.

India's pharmaceutical exports stood at US\$ 16.8 billion in 2016-17 and are expected to grow by 30 per cent over the next three years to reach US\$ 20 billion by 2020, according to the Pharmaceuticals Export Promotion Council of India (PHARMEXCIL).

Indian companies received 305 Abbreviated New Drug Application (ANDA) approvals from the US Food and Drug Administration (USFDA) in 2017. The country accounts for around 30 per cent (by volume) and about 10 per cent (value) in the US\$ 70-80 billion US generics market.

India's biotechnology industry comprising bio-pharmaceuticals, bio-services, bio-agriculture, bio-industry and bioinformatics is expected to grow at an average growth rate of around 30 per cent a year and reach US\$ 100 billion by 2025. Biopharmaceutical, comprising vaccines, therapeutics and diagnostics, is the largest sub-sector contributing nearly 62 per cent of the total revenues at Rs. 12,600 Crore (US\$ 1.89 billion).

Investments

The Union Cabinet has given its nod for the amendment of the existing Foreign Direct Investment (FDI) policy in the pharmaceutical sector in order to allow FDI up to 100 per cent under the automatic route for manufacturing of medical devices subject to certain conditions.

The drugs and pharmaceuticals sector attracted cumulative FDI inflows worth US\$ 15.570 billion between April 2000 and September 2017, 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:

- The exports of Indian pharmaceutical industry to the US will get a boost, as branded drugs worth US\$ 55 billion will become off-patent during 2017-2019.
- Private equity and venture capital (PE-VC) investments in the pharmaceutical sector have grown at 38 per cent year-on-year between January-June 2017, due to major deals in this sector.

Government Initiatives

Some of the initiatives taken by the government to promote the pharmaceutical sector in India are as follows:

- The Government of India is planning to set up an electronic platform to regulate online pharmaceutical under a new policy, in order to stop any misuse due to easy availability.
- The Government of India unveiled 'Pharmaceutical 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.
- 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.

Road Ahead

The Indian pharmaceutical market size is expected to grow to US\$ 100 billion by 2025, driven by increasing consumer spending, rapid urbanisation, and raising healthcare insurance among others. Pharmaceutical sector's revenues are expected to grow by 9 per cent year-on-year through fiscal 2020.

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.

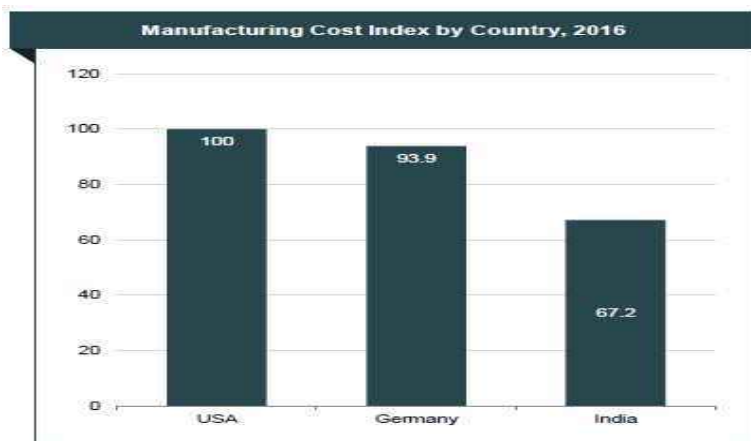
Source: Website of Indian Brand Equity Foundation

<https://www.ibef.org/industry/pharmaceutical-india.aspx>

Cost efficiency and competency continue to be India's forte

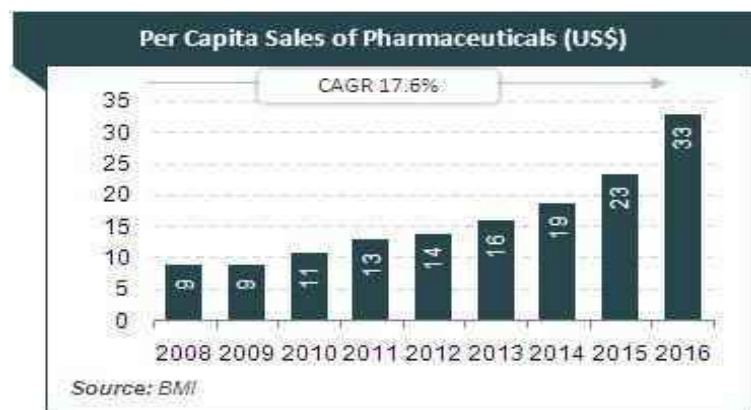
- India's cost of production is nearly 33 per cent lower than that of the US
 - Labour costs are 50–55 per cent cheaper than in Western countries
 - The cost of setting up a production plant in India is 40 per cent lower than in Western countries
- Cost-efficiency continues to create opportunities for Indian companies in emerging markets and Africa

- India has a skilled workforce as well as high managerial and technical competence in comparison to its peers in Asia
- India has the 2nd largest number of USFDA-approved manufacturing plants outside the US
- India has 2,633 FDA-approved drug products
- India has over 546 USFDA-approved company sites, the highest number outside the US



Per Capita Sales

- Growing per capita sales of pharmaceuticals in India offers ample opportunities for players in this market
- Per capita sales of pharmaceuticals expanded at a CAGR of 17.6 per cent to US\$ 33 in 2016
- Economic prosperity would improve affordability for generic drugs in the market & improve per capita sales of pharmaceuticals in India

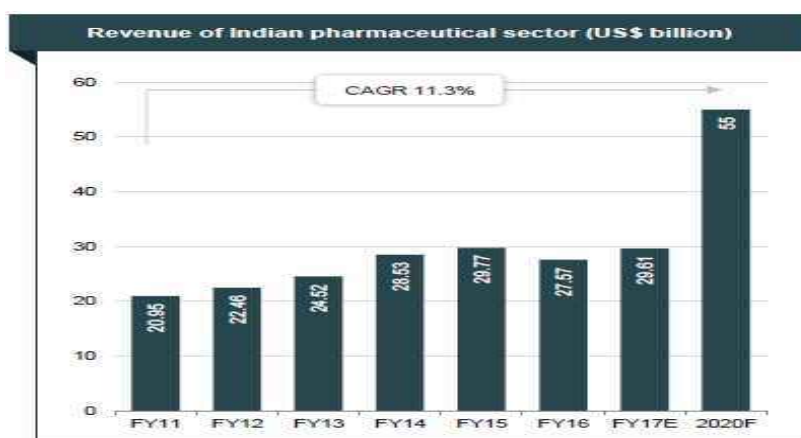


Source: Website of Indian Brand Equity Foundation

<https://www.ibef.org/industry/pharmaceutical-india/showcase-and-indian-pharmaceutical-sector-revenues-trending-north>

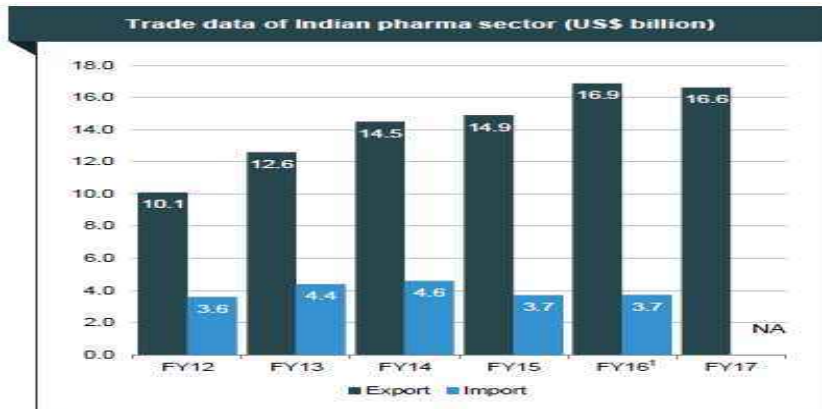
- The Indian pharmaceuticals market witnessed growth at a CAGR of 5.64 per cent, during FY11-16, with the market increasing from US\$ 20.95 billion in FY11 to US\$ 27.57 billion in FY16. The industry's revenues are estimated to have grown by 7.4 per cent in FY17.

- By 2020, India is likely to be among the top three pharmaceutical markets by incremental growth and 6th largest market globally in absolute size.
- India's cost of production is significantly lower than that 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 coupled 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.
- Medicine sales in India increased 8.1 per cent year-on-year in November 2017.



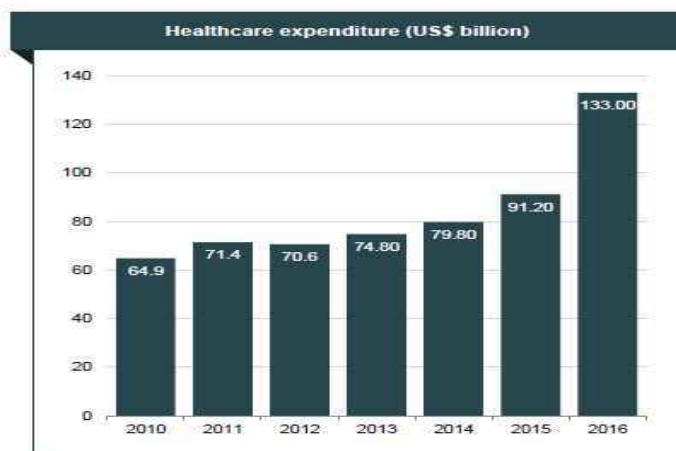
Pharmaceutical export to continue witnessing high growth

- Indian pharmaceutical companies are capitalising on export opportunities in regulated and semi-regulated markets
- In FY17, India exported pharmaceutical products worth US\$ 16.8 billion, with the number expected to reach US\$ 40 billion by 2020. During April – September 2017, India exported pharmaceutical products worth Rs 411.3 billion (US\$ 6.4 billion). During April – October 2017, India exported pharmaceutical products worth Rs. 478.3 billion (US\$ 7.4 billion).
- Indian drugs are exported to more than 200 countries in the world, with the US as the key market
- India is the world's largest provider of generic medicines; the country's generic drugs account for 20 per cent of global generic drug exports (in terms of volumes)
- Around 40.6 per cent of India's US\$ 16.8 billion pharmaceutical exports in 2016-17 were to the American continent, followed by a 19.7 per cent to Europe, 19.1 per cent to Africa and 18.8 per cent to Asian countries.



Anticipated steep growth in expenditure on pharmaceuticals

- During 2010-16, total healthcare spending is estimated to have increased at a CAGR of 12.70 per cent to US\$ 133 billion in 2016.
- In May 2017, Hyderabad-based pharmaceutical firm Hetero Drugs Ltd. launched a velpatasvir and sofosbuvir combination drug for the treatment of Hepatitis-C in India, after getting full compliance from the regulatory authorities.



Drivers of Indian pharmaceutical sector

Supply-side drivers

- Cost advantage
- Skilled manpower
- India a major manufacturing hub for generics
- India accounts for 22 per cent of overall USFDA approved plants
- Increasing penetration of chemists

Demand-side driver

- Increasing fatal diseases
- Accessibility of drugs to greatly improve

- Increasing penetration of health insurance
- Growing number of stress-related diseases due to change in lifestyle
- Better diagnostic facilities

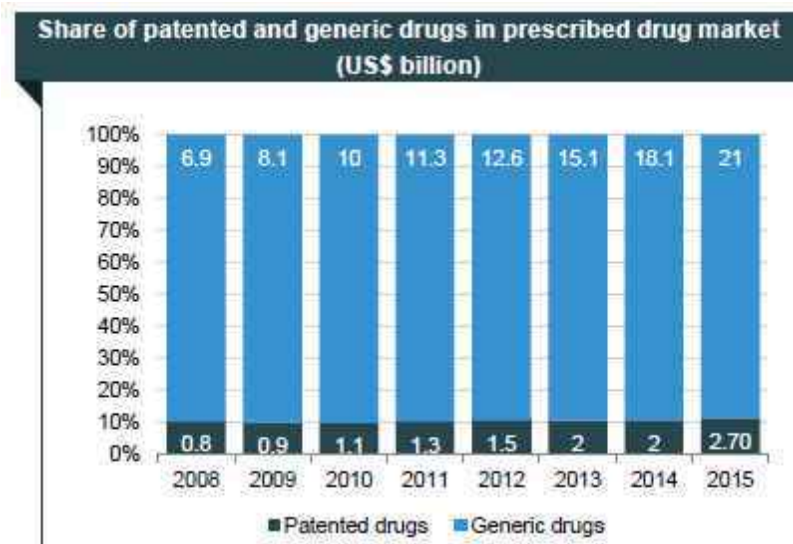
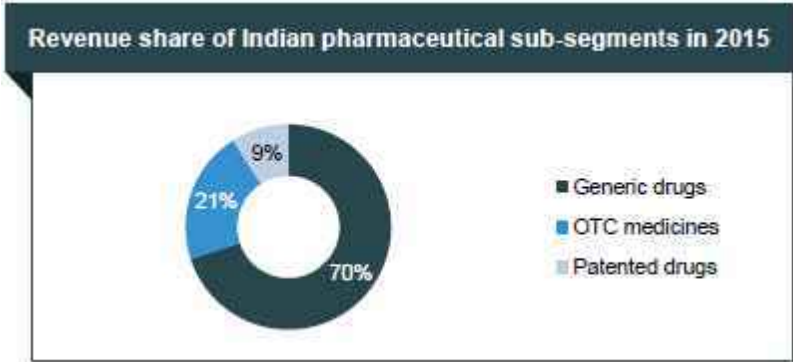
Policy support

- National Health Policy 2015, which focuses on increasing public expenditure on healthcare segment
- Reduction in approval time for new facilities
- Plans to set up new pharmaceutical education and research institutes
- Exemptions to drugs manufactured through indigenous R&D from price control under NPPP-2012

GENERIC DRUGS AND PHARMACEUTICALS INDUSTRY

Generic drugs form the largest segment of Indian Pharmaceutical Market

- With 70 per cent of market share (in terms of revenues), generic drugs form the largest segment of the Indian pharmaceutical sector
- India supplies 20 per cent of global generic medicines market exports, in terms of volume, making the country the largest provider of generic medicines globally and expected to expand even further in coming years
- Over the Counter (OTC) medicines and patented drugs constitute 21 per cent and 9 per cent, respectively, of total market revenues of US\$ 20 billion
- Indian pharmaceutical drug manufacturer Aurobindo Pharmaceutical has received the USFDA approval to manufacture oral suspension, which is used for controlling serum phosphorus in patients with chronic kidney disease on dialysis. This drug is a therapeutic equivalent generic version of Genzyme's Renvela oral suspension.
- The share of generic drugs is expected to continue increasing; domestic generic drug market is expected to reach US\$ 27.9 billion in 2020
- Due to their competence in generic drugs, growth in this market offers a great opportunity for Indian firms
- Generic drug market is expected to grow in the next few years, with many drugs going off-patent in the US and other countries
- Domestic generic drug market has reached US\$ 26.1 billion in 2016



INDIAN PHARMACEUTICAL INDUSTRY - A GLOBAL INDUSTRY

The Indian Pharmaceutical Industry has witnessed a robust growth over the past few years moving on from a turnover of approx. US \$ 1 billion in 1990 to over US \$30 billion in 2015 of which the export turnover is approximately US \$ 15 billion. The country now ranks 3rd world wide by volume of production and 14th by value, thereby accounting for around 10% of world's production by volume and 1.5% by value. Globally, it ranks 4th in terms of generic production and 17th in terms of export value of bulk actives and dosage forms. Indian exports are destined to more than 200 countries around the globe including highly regulated markets of US, West Europe, Japan and Australia. It has shown tremendous progress in terms of infrastructure development, technology base creation and a wide range of products. It has established its presence and determination to flourish in the changing environment.

The industry now produces bulk drugs belonging to all major therapeutic groups requiring complicated manufacturing technologies. Formulations in various dosage forms are being produced in GMP compliant facilities. Strong scientific and technical manpower and pioneering work done in process development have made this possible.

An assessment of the Indian Pharmaceutical Industry's strength reveals the following key features:

- Strong export market- India exported drugs worth US\$ 15 billion to more than 200 countries including highly regulated markets in the US, Europe, Japan and Australia. Large Indian pharmaceutical companies have emerged as among the most competitive in the evolving generic

space in North America and have created an unmatched platform in this space. Indian companies are also making their presence felt in the emerging markets around the world, particularly with a strong portfolio in anti-infective and antiretroviral.

- Large domestic pharmaceutical companies have continued to grow, assuming leadership position in many therapies and segments in the Indian market as well as creating a strong international exports back-bone.
- Competitive market with the emergence of a number of second tier Indian companies with new and innovative business modules.
- Indian players have also developed expertise in significant biologics capabilities.
- Biologic portfolios while still nascent in India are being built with an eye on the future.
- Multinational companies have continued to invest significantly in India and are making their presence felt across most segments of the Indian pharmaceutical market. Companies have also begun to invest in increasing their presence in tier II cities and rural areas and making medical care more accessible to a large section of the Indian population.
- Low cost of production.
- Low R&D costs.
- Innovative Scientific manpower.
- Excellent and world-class national laboratories specializing in process development and development of cost effective technologies.
- Increasing balance of trade in Pharmaceutical sector.
- An efficient and cost effective source for procuring generic drugs, especially the drugs going off patent in the next few years.
- An excellent centre for clinical trials in view of the diversity in population.

Experience & Expertise

India is the only country with largest number of US-FDA compliant plants (more than 262 including APIs) outside of USA and has nearly 1400 WHO-GMP approved Pharmaceutical Plants, 253 European Directorate of Quality Medicines (EDQM) approved plants with modern state of the art Technology.

Thus Indian pharmaceutical companies have a wide variety of experience in manufacturing as per global standards. Through intensive competition in the Indian market, Indian companies are experienced in the manufacturing of a variety of formulations that makes them efficient and competitive in their operations.

The Indian pharmaceutical market is mature with decades of experience in generics manufacturing, catering to the needs of the general population. These companies have the experience and know-how to produce quality drugs in an efficient, high-quality and cost-effective manner without compromising on any aspect. There are many companies manufacturing drugs for oncology, AIDS and other complex therapies.

Low cost of manufacturing

India is capable of manufacturing low-cost generic alternatives due to a number of economic factors favouring the industry. Some of these include the competitive land rates, the cheap labour available, low resource costs like water, electricity etc., and lower cost of production machinery. Importantly, the various drugs like, Intermediates, APIs and Formulation companies are seamlessly integrated while following international regulations of safety.

Research & Development

The Government has taken several policy initiatives for strengthening Research & Development in Pharmaceuticals sector such as fiscal incentives to R&D units sector and streamlining of procedures concerning development of new drug molecules, clinical research and new drug delivery systems leading to new R&D set-ups with excellent infrastructure in the field of original drug discovery.

India has a large branded generics market which enables most companies to launch their version of a generic drug in the market place. Research and Development is an important aspect for development of generics that match the quality and cost targets.

Highly educated, specialized scientists

India's rich human capital is the strongest asset for the Indian Pharmaceuticals Industry which is a knowledge-led industry. Various studies show that the scientific talent pool of Indians is the second largest English-speaking group worldwide, after the US. This enables easier access to qualifications that handle the basic work in a plant or an R&D set-up in India. National Institute of Pharmaceutical Education and Research (NIPER) at Mohali is a premier institute in the field of Pharmaceuticals. The institute is a member of Association of Commonwealth Universities. NIPER Mohali is offering Masters level programs and PhD programs in 15 streams. The laboratories here are fully equipped with modern facilities and the available facilities are of international level and standards. Further, six new National Institutes of Pharmaceutical Education and Research (NIPER) were opened in 2007. Recently, three new NIPERs have been proposed in the states of Maharashtra, Rajasthan and Chattisgarh.

Source: Website of Department of Pharmaceuticals

<http://pharmaceuticals.gov.in/pharmaceutical-industry-promotion>

GLOBAL PHARMACEUTICAL MARKET

Global Pharmaceutical market size in the calendar year 2016 is estimated at \$1100 billion as per IMS with a very marginal growth rate of 3%. India's total exports of Pharmaceuticals (APIs, Generics and Alternative system of medicine) during 2016-17 were \$16.84 billion with a negative growth of 0.43%. India's exports in INR terms have recorded a growth of 2.03% and were valued at Rs. 112,915 Crore during FY-17.

Global generic market is estimated to be of size \$ 294 billion. India, a predominant player in Global Generic market has clocked \$ 12.7 billion of Exports out of a total \$ 294 generic market with a growth of 0.42 % during the year 2016-17.

India has a market share of almost 42% of Generic market size of Africa and Middle East put together. Region of North America has contributed over 34% to India's pharmaceutical exports and has grown by a 1.25% in FY- 17.

USA is the largest exporting partner of India by country and it has been so, for the last decade. During 2016-17 Exports to USA has grown over 1% and has contributed over 33% to the total. Around 55% India's exports are to highly regulated markets.

India's exports of Pharmaceuticals-Top 25 Destination countries \$ mn							
Rank	Country	2015-16	2016-17	Change% of FY-17	Contbn% of FY-17	Cum Contbn%	Change in Value
1	U S A	5514	5580	1.20	33.14	33.14	66
2	U K	564	551	-2.24	3.27	36.41	-13
3	SOUTH AFRICA	605	486	-19.68	2.89	39.30	-119
4	NIGERIA	437	399	-8.71	2.37	41.66	-38
5	RUSSIA	374	384	2.76	2.28	43.94	10
6	BRAZIL	326	338	3.72	2.01	45.95	12
7	GERMANY	348	335	-3.66	1.99	47.94	-13
8	KENYA	332	326	-1.96	1.94	49.88	-7
9	AUSTRALIA	233	238	2.06	1.41	51.29	5
10	BELGIUM	192	232	20.69	1.38	52.66	40

11	VIETNAM SOC REP	221	228	2.91	1.35	54.02	6
12	SRI LANKA DSR	205	218	6.21	1.29	55.31	13
13	FRANCE	232	210	-9.41	1.25	56.56	-22
14	PHILIPPINES	193	209	8.32	1.24	57.80	16
15	NEPAL	177	207	17.12	1.23	59.03	30
16	CANADA	201	207	2.68	1.23	60.25	5
17	NETHERLAND	244	203	-16.71	1.21	61.46	-41
18	TANZANIA REP	179	196	9.82	1.17	62.63	18
19	MYANMAR	154	187	21.32	1.11	63.74	33
20	JAPAN	144	168	17.09	1.00	64.74	25
21	TURKEY	160	167	4.28	0.99	65.72	7
22	IRAN	180	166	-8.22	0.98	66.71	-15
23	MEXICO	160	158	-1.61	0.94	67.64	-3
24	BANGLADESH PR	136	154	12.88	0.91	68.56	18
25	UGANDA	169	154	-9.20	0.91	69.47	-16
Total of the top 25		11680	11699	0.16	69.47	69.47	19
Grand total		16912	16840	-0.43	100.00		-72

India's Pharmaceutical industry has filed the highest number of DMFS with USFDA and by the end of year 2016, number of filings stands at 3950. India's ANDAS totalling over 4000 by June 2017 covers all ATCs.

Source: Website of Pharmaceutical Promotion Council of India – Annual Report 2016-17:
<http://pharmexcil.com/annual-report>

SUMMARY OF OUR BUSINESS

Business Overview

Medibios Laboratories Limited was incorporated in the year 1995 at Mumbai with an object to manufacture and market pharmaceutical products in domestic and international markets. Later, the Company took over a partnership firm M/s. Medibios Laboratories in the same year. Our promoters took over the Company from erstwhile promoters in the year 1997. In 2018, we resolved and converted our Company to a Public Limited Company.

We are located in Mumbai and have a manufacturing unit situated at MIDC, Tarapur Industrial Area, Maharashtra. Our manufacturing facilities are accredited with World Health Organization – Good Manufacturing Practice Certification, Food and Drug Administration Philippines, Cosmetic Devices and Drug Authority of Sri Lanka, National Drug Authority Uganda, Food and Drug Administration Myanmar, DPML (*Direction De La Pharmacie Du Medicament Et Des Laboratoires*) – Ivory Coast, National Agency for Food and Drug Administration and Control - Nigeria and Food and Drug Administration - Ghana.

Our products are in dosage forms of Tablets, Capsules and Powders. Our product portfolio includes more than 200 formulations across 20 therapeutic categories which are manufactured at our facilities. Our products are registered with ISP (*Instituto de Salud Publica*) Chile, Uruguay, Suriname, Venezuela, Costa Rica, Cosmetic Devices and Drug Authority of Sri Lanka, Drug Regulation Services Botswana, Food DA Vietnam, Georgia, Azerbaijan, Hong Kong, etc.

We have entered into an agreement with a Sri Lanka based Company for marketing of our brands in Sri Lanka, while we have invested in an Associate Company “Medvin Pharma Limited” in Uganda which is engaged in the wholesale and retail sale of medicines in Uganda and surrounding countries. We have recently set up a wholly owned subsidiary in Ghana “Medibios Laboratories Ghana Private Limited” for marketing and distribution of our products there.

Our business is based on three core models (i) Contract Manufacturing, (ii) Marketing Own Brands and (iii) Loan License. We majorly carry our business on contract manufacturing for multinational companies. However, recently we have shifted our focus to Direct Manufacturing and Direct Exports to overseas clients, and we propose to expand our business using the same model. In addition, Medibios now as part of its long-term strategy, has started focusing on marketing own brands through dedicated Medibios Marketing Team appointed under its own wholly owned subsidiary or in partnership with importers/marketing agents in respective countries. This model will help Medibios build brands which will provide sustained revenue, growth and improved margins compared to the contract manufacturing and loan license business model.

We currently export our products to over 20 countries which include countries in South East Asia, Africa, and Central and Latin America. We plan to upgrade our manufacturing facility and get it approved by PIC/s (Pharmaceutical Inspection Convention and Pharmaceutical Inspection Co-operation Scheme) member countries, European Union – Good Manufacturing Practices and World Health Organization - Geneva by mid 2019 and increase our basket of Bioequivalent Generic Products for the regulated markets.

We are suppliers of pharmaceutical products to Government of Sri Lanka for over eight years. In addition our partners overseas have been procuring products from us and supplying to the Government in several other countries including Malaysia, Chile, Philippines and Uruguay.

We are benefited from the experience of our promoters and management who are actively involved in our operations, marketing, exports and customer relationship and have been instrumental in implementing our growth strategies. Tushar Korday, our Managing Director has more than three decades of experience in

pharmaceutical industry while, Rajendra Gole, our Wholetime Director has experience of four decades. Our management is actively supported by other promoters, Shailaja Korday and Jyoti Gole.

Financial Snapshot:

(Rs. in lakhs)

Particulars	10MFY18	FY17	FY16	FY15
Gross Revenue from Operations	5,286.11	5,281.20	4,204.07	3,941.01
Net Revenue from Operations	4,762.80	4,956.67	4,006.28	3,714.71
Revenue from Contract Manufacturing	3,765.10	2,960.38	2,202.08	2,303.16
Revenue from Loan Licensing	1,087.63	1,581.17	1,335.45	1,059.88
Revenue from Marketing own Products	410.72	725.34	634.24	560.88
Earnings before Interest and Tax	760.06	1002.15	642.83	464.29
Earnings before Tax	700.70	861.01	503.20	363.31
Earnings after Tax	493.85	564.89	320.55	243.02

Business Model

- (i) Contract Manufacturing
 - Domestic Customers/ Clients
 - Merchant Exporters
 - Overseas Customers/ Clients
- (ii) Loan License
- (iii) Marketing own Products (Branded and Generic)
 - Exports to importer of respective country with marketing partnership
 - Exports to our associate/subsidiary companies overseas for marketing

(i) Contract Manufacturing

Under contract manufacturing, we manufacture goods for domestic customers, merchant exporters and overseas customers.

Domestic Customers/ Clients

Under this business model, we receive orders from multinational and large Indian Companies and the products manufactured are then supplied to the desired destination by using third party transportation. We have a history of repeated orders and have a long standing relationship with most of the clients and have been associated with them for many years. We purchase all raw material and packaging materials and the finished products are sold to them at agreed transfer prices.

Merchant Exporters

Under this business model, we receive orders from merchant exporters with desired formulations. All dossiers and samples for registration purposes in respective countries are provided by us. After registration, the products manufactured are supplied to merchant exporters who in turn export products to their respective clients. We purchase all raw materials and packaging materials and sell the finished products to them at agreed transfer prices.

Overseas Customers/ Clients

Under this business model, all dossiers and samples are provided by us to our overseas clients for registration purposes in respective countries. Post registration, we procure orders from local distributors/ marketing companies from the respective countries. We have a history of repeated orders and have a long standing relationship with few of them and have been associated with them for many years. We purchase all raw and packaging materials and export the finished products at agreed transfer prices. This particular segment is our focus for coming years.

(ii) Loan License

Under this business model, we receive orders from large companies and the products manufactured are supplied for agreed conversion charges (labour charges). The clients provide all raw materials and packaging materials.

(iii) Marketing own Products (Branded and Generic)

Export to the importer of the respective country with a marketing partnership

Under this business model, all dossiers and samples are provided by us for registration purposes in respective countries. Medibios is the owner of the Trademark and Product Registration Certificate and pays towards all registration expenses. We enter into a marketing partnership with local companies and promote the products under our brand names. All promotional inputs like leave behind literature for product detailing and information, gifts, samples, etc., are provided by Medibios. The local partner in respective country facilitates in product registration and is responsible for managing the sales team, implementation of agreed marketing plans, and distribution of products, collection and reporting as per agreed terms. We export the product at suitable transfer prices including our marketing overheads. Currently we have an agreement with Emer Chemie in Sri Lanka for marketing of our products.

Export to our associate/subsidiary companies overseas for marketing

Under this business model, Medibios does registration through its subsidiary office or JV partner office in the respective country. Medibios India provides Medibios India bears all dossiers and samples, as well as all costs towards registration. The owner of Product Registration Certificate is Medibios India. We enter into a joint venture with the local company or incorporate wholly owned subsidiary. Currently, we have a joint venture in Uganda under the name of "Medvin Pharma Limited". In Ghana, we have recently incorporated a wholly owned subsidiary under the name of "Medibios Laboratories Ghana Private Limited". In Ghana, entire importation, distribution, promotion and sales will be done by Medibios Ghana team under our brand names. The entire marketing team in Ghana will be employees of Medibios Laboratories Ghana Private Limited. All promotional inputs like leave behind literature for product detailing and information, gifts, samples, etc., are provided by Medibios India. We export the product at suitable transfer prices to cover our marketing overheads.

Revenue bifurcation:

(Rs. in lakhs)

Particulars	10MFY18	FY17	FY16	FY15	FY14	FY13
Contract Manufacturing	3,765.10	2,960.38	2,202.08	2,303.16	2,509.24	2,562.49
Loan Licensing	1,087.63	1,581.17	1,335.45	1,059.88	804.34	650.96
Marketing under own brands	410.72	725.34	634.24	560.88	502.81	184.96
Gross Revenue from operations	5,263.46	5,266.89	4,171.77	3,923.92	3,816.39	3,398.41

Our Competitive Strengths

We believe that the following are our primary competitive strengths:

Technical know how

We benefit from the technical know-how of our management and production team who are actively involved in our operations and have been instrumental in implementing our growth strategies. Our team has significant experience and expertise in the pharmaceutical industry across the entire business chain. Tushar Korday, our Promoter and Managing Director is a chemical engineer by qualification from Indian Institute of Technology, Mumbai, and a Post Graduate Diploma in Management studies from Indian Institute of Management, Ahmedabad. Rajendra Gole, our Promoter and Whole-time Director is a Pharmacist by qualification from Mumbai University. Besides them, we have a professional team of

bachelors in pharmacy and masters of pharmacy. Over the last twenty years, we have built up technical know-how for manufacturing a strong portfolio of over 200 products.

Geographical location

Our manufacturing facility is situated at MIDC, Tarapur Industrial Area (“MIDC TIA”) which lies around 100 kilometers north of Central Mumbai. MIDC TIA falls at a detour of 20 kilometers to NH 48 i.e. Mumbai – Ahmedabad Highway and is thus well connected to major cities in Gujarat and Maharashtra. Nearest airports being Mumbai domestic and international airport lying around 100 kilometers away from our facility provides us easy and hassle free access to the overseas client. While for domestic customers, we rely on road and rail transportation.

Recurring business from existing customers

We manufacture products on contract manufacturing basis for various multinational and large Indian Companies and have a business relationship with many, many of them for more than five years. More than 70% of our total revenue was generated by sale to these companies on contract manufacturing basis respectively for ten months ended on January 31, 2018, while more than 70% of our total revenue was generated by sale to these companies for the financial year 2016-17. We believe, our business relationship with them based on our core qualities like technical competence, timely delivery, competitive pricing and desired quality provides us with an advantage over other players in the market.

Competitive cost

We believe that our financials reflect our cost structure and operational efficiency. We provide quality products to our customers / clients at competitive prices. Competitive cost provides us with an added advantage over our competitors, and hence we are preferred by our clients over other manufacturers. Earlier, due to tax haven zones created by Union Government in areas such as Baddi, Himachal Pradesh, we were less competitive in the domestic market for past few years. However, with the onset of Goods and Services Tax (GST) in 2017-18, there is now a level playing field, which is expected to boost our domestic business.

Strong regulatory team

The pharmaceutical industry is highly regulated wherein we are required to file dossiers for registration of our formulations/ products in overseas market. Filing of dossiers in the international market is a tedious, time consuming and costly process wherein we are required to submit (physical and / or soft copies of) comprehensive documents and reports along with formulations' samples and registration fees. Currently, we have more than 80 registered formulations in various countries. We believe, we have a strong team of professionals to compile and file dossiers in overseas markets with least failures in registration. We have successfully carried out Bio-Equivalent studies in respect of our products. Such registrations have been hassle free and quick for us in recent times because of data back-up, strong documentation, experience and expertise of our regulatory team.

Focus on quality control

We have a well-established quality control system that spans the procurement, storing, production, packing and delivery of our products, to assure quality and efficacy of our products throughout their shelf life.

We have a quality management system in place wherein roles, responsibilities and authorities are defined, communicated and implemented. Our primary quality objectives comprise of:

- Process performance and product quality monitoring system
- Corrective Action and Preventive Action (CAPA) system
- Change Management System

- Quality Risk Management (Risk Assessment)
- Management review of process performance and product quality

Senior management is responsible to ensure an effective implementation of quality system, to conduct periodic management review and to identify opportunities of continual improvement of products, processes and system.

Besides this, self audit programs are carried out biannually by Self-Audit Teams.

The Active Pharmaceutical Ingredients (APIs) and drugs, excipients (additives) and packing materials undergo rigorous quality tests as laid down under various Pharmacopoeia and in-house specifications. Approved consignments and lots are accepted and transferred for storing and subsequently used for production. We conduct several quality control procedures, including in-house tests and other tests performed by Public Testing Laboratories. We are accredited with World Health Organization – Good Manufacturing Practice Certification, Food and Drug Administration Philippines, Cosmetic Devices and Drug Authority of Sri Lanka, National Drug Authority Uganda, Food and Drug Administration Myanmar, DPML (*Direction De La Pharmacie Du Medicament Et Des Laboratoires*) – Ivory Coast, National Agency for Food and Drug Administration and Control - Nigeria and Food and Drug Administration - Ghana.

Integrity is an essential factor in our industry. We ensure brand protection, compliance with National Pharmaceutical Pricing Authority standards and other statutory requirements.

Experienced management team

We benefit from the experience of our promoters and management who are actively involved in our operations and have been instrumental in implementing our growth strategies. Our Promoters, together with our management team, have significant experience in the pharmaceutical industry across the entire business chain. Tushar Korday, our Promoter and Managing Director has more than three decades of experience in pharmaceutical industry. He is a Chemical Engineer by qualification from Indian Institute of Technology, Mumbai and a postgraduate diploma in management studies from Indian Institute of Management, Ahmedabad. Rajendra Gole, our promoter and Wholetime Director has experience of four decades and is a pharmacist by qualification from Mumbai University. Other promoters; Shailaja Korday and Jyoti Gole actively support our management.

Diversified product portfolio

Our product portfolio includes more than 200 formulations across 20 therapeutic categories which are manufactured at our facilities. So far, we have more than 80 formulations registered in various countries and more registrations are on the anvil. Our track record of registering dossiers and formulations successfully in overseas semi regulated countries has helped us to increase and diversify our product portfolio in various markets. Currently our products are registered in South East Asian, Africa and Central and Latin American countries. Our diversified product portfolio provides us with ample opportunities to grow business across different therapeutic categories and several countries.

Global presence

We are present across various countries in South East Asia, Africa, CIS and Central & Latin America which includes Philippines, Cambodia, Myanmar, Malaysia, Sri Lanka, South Africa, Vietnam, Ghana, Ivory Coast, Chile, Uruguay, Curacao, Bolivia, Turkmenistan, Azerbaijan etc. We currently have registrations for over 80 products across 20 countries and are continuously filing dossiers for registration of our formulations in those countries. We are suppliers of pharmaceutical products to Government of Sri Lanka for over eight years and Government of Chile (through Emil) for more than four years under our brand names / Generic names. In addition our partners overseas have been procuring products from us and supplying to Governments in many other countries.

Our Strategies

Our business objective is to grow our revenues and profits through increased and diverse product portfolio and thereby increase our market presence. Our business strategy focuses on the following elements:

Shifting focus from other business models to own exports and marketing own brands

We currently operate under three core business models wherein a significant portion of our revenue in past years has been derived from contract manufacturing model. In the current scenario, we believe, developing our own brands in overseas markets would fetch us superior returns and profit margins compared to contract manufacturing for domestic clients and merchant exporters. However, we shall continue to manufacture products on contract manufacturing for overseas clients as even this segment of our business model fetches steady and higher returns and profit margins compared to domestic contract manufacturing. We have invested in an associate concern in Uganda and also incorporated a wholly owned subsidiary in Ghana for marketing of our products.

Increasing number of bioequivalent and bio-waiver products

Bioequivalent

Bioequivalence is used to assess the expected *in vivo* biological equivalence of two preparations of a drug. It means that bioequivalent products are to be, for all intents and purposes, the same with the compared product. We currently have 9 bioequivalent products which are as follows:

Sr. No	List of Product
1.	Sildenafil Citrate Tablet 100 mg
2.	Enalapril Maleate Tablet 20 mg
3.	Atorvastatin Tablet 10 mg
4.	Losartan Potassium Tablet 50
5.	Omeprazole Capsule 20 mg
6.	Sertraline Tablet 50 mg
7.	Rosuvastatin Calcium 10 mg
8.	Lansoprazole Capsule 30 mg
9.	Metformin Hydrochloride Tablet 850 mg

Bio-waiver

A bio-waiver means that *in vivo* bioavailability and/or bioequivalence studies may be waived instead of conducting expensive and time consuming *in vivo* studies, a dissolution test could be adopted as the surrogate basis for the decision as to whether the two pharmaceutical products are equivalent. We currently have 9 bio-waiver products which are as follows:

Sr. No	List of Product
1.	Amlodipine Tablet 5 mg
2.	Amlodipine Tablet 10 mg
3.	Atorvastatin Tablet 80 mg
4.	Atorvastatin Tablet 20 mg
5.	Atorvastatin Tablet 40 mg
6.	Enalapril Maleate Tablet 10 mg
7.	Fluoxetine Capsule 20 mg
8.	Losartan Tablet 100 mg
9.	Sertraline Tablet 100 mg

These products provide us with an edge over competitors as they are tested and compared with the respective innovator brands through clinical trials. These products increase the trust of our end consumers

on our products which are offered at competitive prices compared to innovator brands. We plan to invest more funds and register more bioequivalent and bio-waiver products in the coming years. Registration of such bio-equivalent multiple products in various countries is one of the prime objects of this public issue.

Widening our product basket in explored markets

Currently, we have registered various products in countries in South East Asia, Africa and Central and Latin America which includes Philippines, Cambodia, Myanmar, Malaysia, Sri Lanka, Vietnam, Ghana, Ivory Coast, Chile, Uruguay, Curacao, Bolivia, etc. We plan to widen our product basket in these countries by registering and supplying more products. As we are equipped with in-house Formulations Development and Regulatory departments, we are well placed to register and add new products in various markets. This capacity, coupled with our strong established relations with our clients and with a new foray into marketing our Brands, will increase our market share in those countries. Since dossiers and bioequivalent studies are already done in respect of products named above, it is also an opportunity for our Company to widen its market reach in many more markets. Medibios has also developed a niche range of nutraceutical, OTC and cosmeceutical products which is a growing market due to higher health consciousness among consumers and higher disposable incomes. These ranges of products will widen our product basket and support our prescription product basket.

Strengthen regulatory and quality capabilities

Filing of dossiers in the overseas market is a tedious process wherein we are required to submit various documents and reports along with samples and fees. We plan to expand our regulatory team by adding professionals and pharmacists for preparing and filing of dossiers and strengthening the Quality Assurance team for maintaining quality. As we are planning to step into more regulated markets, we believe, our concentration on regulatory affairs and quality capabilities will help us to launch our footprints in those countries vigorously. As we also plan to invest more funds and register more bioequivalent products in the coming years, our quality and regulatory capabilities would play a significant role in increasing our market share in the regulated markets such as Europe, South Africa and Latin America.

Creating a separate veterinary division

We are currently manufacturing pharmaceutical products for both human and veterinary use using the same facility. As regulatory requirements are becoming more stringent across the globe, there is an expectation of some regulatory bodies for segregating the facilities for these two sections. We, therefore, propose to raise funds and set up a separate facility within in our current plot for veterinary products. In countries like Ethiopia, there is a potential for both human and veterinary pharmaceutical products. Adding a separate facility for veterinary drugs, as required by various regulatory authorities around the globe, shall open new markets for us thus widening our market reach and would generate additional revenues for our Company. We currently aim to manufacture veterinary products for Ethiopia, Zambia, South Africa and Latin American markets.

Proposed capacity for our veterinary products division would be as follows:

Particulars	Tablets/ Bolus	Powders
Units in millions per annum	25.00	10.00

Expansion and modernization of current facility to meet customer demands

We currently own a facility which is capable of manufacturing tablets, capsules and powder as follows:

Particulars	Tablets	Capsules	Powders
Units in millions per annum	980.40	450.00	3.00

We plan to expand and modernise our facility by adding necessary machinery and infrastructure. Our new facility will be World Health Organization – Geneva 2018 Certified Unit, (PIC/s) Pharmaceutical

Inspection Co-operation Scheme, European Union – Good Manufacturing Practices and Medicine Control Council South Africa approved in addition to already approved countries.

After competition of project:

Particulars	Tablets	Capsules	Powders
Units in millions per annum	1980.40	887.50	25.50

Expansion in our capacity would enable us to tap new markets and introduce new products in existing and new markets. It would also allow us to cater to requirements of customers which currently we are unable to service.

Modernization of facility will help us to manufacture products with better regulatory compliance. It will also enable us to register our facility with regulated markets as described below.

Modernize the manufacturing facility to meet standards of regulated markets.

One of the objects of this offer is to modernize and expand our current facility and to get it registered with WHO - Geneva 2018, PIC's, EU-GMP and MCC South Africa. These registrations shall enable us to tap newer markets, especially regulated markets. We plan to cater various European countries and South Africa with products manufactured at our facility. These registrations would help us develop two of our business model, i.e. direct sales and contract manufacturing for an overseas client.

Strengthening of Research and Development department

One of the objects of this offer is to invest in and register more bioequivalent products. Such products would increase our market share in various markets. Currently, we have nine bioequivalent products. It requires extensive research to study, develop and validate formulations which are bioequivalent to leading brands. We plan to set up an in-house Research and Development department which shall carry out the required research for registration of bioequivalent products. Besides this, R&D department would also be responsible for the development of new formulations based on generic molecules for increasing and betterment of our product basket. We believe, setting up of Research and Development department would add a new strength to our Company.

Develop our marketing set up in Ghana and other neighbouring countries

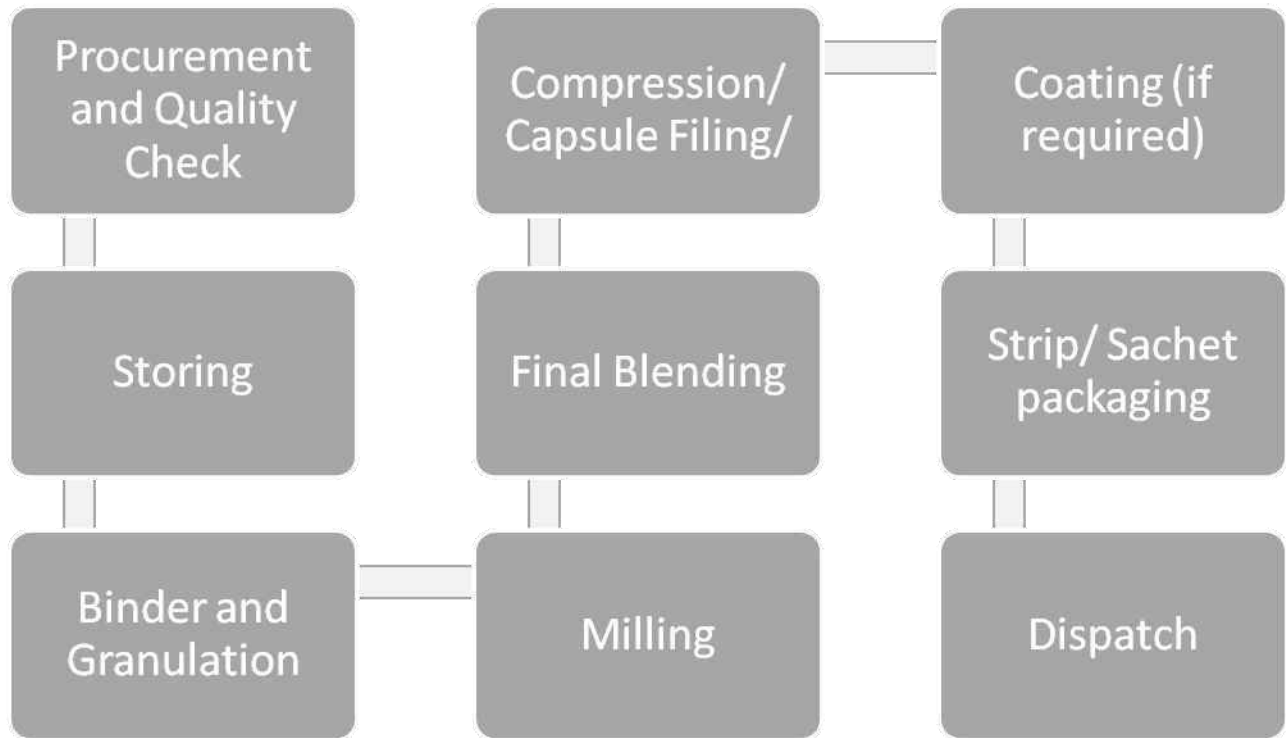
We have recently set up a wholly owned subsidiary in Ghana "Medibios Laboratories Ghana Private Limited" for marketing of our products there. We have developed our setup and have appointed a country head for undertaking all operations in Ghana. He has been designated to create a market for our branded and generic products in Ghana and other neighboring countries. We believe Ghana and other neighboring countries have the potential for our products and our marketing set up would help us cater to the demand accordingly.

Manufacturing Process

The manufacturing process of formulations differs from product to product i.e. between tablets, capsules and powders. A series of steps under controlled temperature, humidity and moisture are met for manufacturing of finished products. Finished products are packed in different packaging forms like strip packaging, bottle and sachets packing, etc. We currently manufacture formulations in three different forms:

- (i) Tablets
- (ii) Capsules
- (iii) Powders

Process



Tablets

Tablet manufacturing is a multi-stage process under which the materials change their physical characteristics till the final dosage form is produced. Various processes are involved in making tablets such as particle size reduction and sizing, granulation, drying, blending, and compaction. Various factors associated with these processes can seriously affect content uniformity, bioavailability, and stability of the finished tablets. Manufactured tablets are then coated if required. Uncoated / Coated tablets are then packed in either aluminum strips or Alu-PVC blister strips or Alu-Alu blister strips or bottles/jars as demanded by the client. Further packaging in paper boxes is done in some products as required by the Client. A sample from each batch is stored in the sample room to meet demands of regulatory authority post-dispatch of the final product.

Capsule

Capsule manufacturing process involves the blending of various ingredients in an Octagonal or Double Cone Blender. The ingredients are first sifted and then milled, before loading into the blender. In case of pellets, the same are purchased in readymade form and are directly filled in capsules. The encapsulation of blended powder and/or pellets is done in an automatic capsule filling machine. The machine is functional in use as they have capabilities for output and overrules manual operations thus avoiding human contact. Capsules usually are fed into the machine; the filler then aligns, opens and accurately fills each capsule and recloses the same. Non-separated, double loaded capsules and improperly inserted capsules are automatically rejected by machines to maintain the consistency in the quality of the product. Most capsule fillers are characterized by fast changeover time to accommodate a variety of capsules shapes and their size. Capsules are packed either in aluminum strips or Alu-PVC blister strips or Alu-Alu blister or bottles / jars. Further packaging in paper boxes is done in some products as required by the

Client. A sample from each batch is stored in the sample room to meet demands of regulatory authority post-dispatch of the final product.

Powder

Powder manufacturing is similar to tablet manufacturing process. It is a multi-stage process under which the materials change their physical characteristics till the final dosage form is produced. The powder is made by granulation either wet granulation or dry granulation followed by blending. Various processes are involved in including particle size reduction and sizing, blending, granulation, drying, etc. Various factors associated with these processes can seriously affect content uniformity, bioavailability, or stability of the finished product. Primary and secondary packaging is done as required in sachet packs, pouches, bottles or jars as per Client's requirements.

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SUMMARY OF FINANCIAL INFORMATION

Particulars	Pages
Restated Financials	3

Statement of Assets & Liabilities as Restated

ANNEXURE-I

Fig in Rs. [Lakhs]

Particulars		Note No.	For the period ended 31/01/2018	For the year ended 31/03/2017	For the year ended 31/03/2016	For the year ended 31/03/2015	For the year ended 31/03/2014	For the year ended 31/03/2013
I. EQUITY AND LIABILITIES								
1 Shareholders Funds								
(a)	Share Capital	2	710.46	710.46	710.46	710.46	236.82	236.82
(b)	Reserves and Surplus	3	1,829.04	1,321.04	765.91	459.13	697.29	568.86
			2,539.50	2,031.50	1,476.37	1,169.59	934.11	805.68
2 Non-Current Liabilities								
(a)	Long - Term Borrowings	4	419.19	322.14	461.11	148.76	2.26	111.70
(b)	Deferred Tax Liability	5	214.53	210.14	205.76	218.40	214.01	207.53
(c)	Other Long - Term Liabilities	6	142.25	206.71	261.87	327.96	338.84	345.08
(d)	Long - Term Provisions		-	-	-	-	-	-
			775.97	738.99	928.74	695.12	555.12	664.31
3 Current Liabilities								
(a)	Short - Term Borrowings	7	536.49	388.42	316.70	689.92	665.56	672.85
(b)	Trade Payables	8	981.65	791.42	473.53	722.26	688.02	550.28
(c)	Other Current Liabilities	9	310.37	187.88	144.66	338.12	172.32	269.98
(d)	Short - Term Provisions	10	118.66	109.92	101.91	78.38	74.16	23.26
			1,947.18	1,477.64	1,036.81	1,828.69	1,600.06	1,516.36
TOTAL			5,262.65	4,248.14	3,441.91	3,693.40	3,089.29	2,986.35
II. ASSETS								
1 Non-Current Assets								
(a)	Fixed Assets [Net Block]	11						
(i)	Tangible Assets		1,996.06	1,972.89	1,825.68	1,721.46	1,584.03	1,561.82
(ii)	Intangible Assets		5.58	5.04	4.63	4.84	6.27	9.97
			2,001.64	1,977.93	1,830.31	1,726.31	1,590.30	1,571.78
2 Investments								
(b)	Long-Term Loans and Advances	12	127.26	123.98	123.98	123.98	-	-
(c)	Other Non- Current Assets	13	26.53	20.60	20.84	20.81	50.35	48.83
			59.26	29.56	31.40	37.98	81.19	83.37
3 Current Assets								
(a)	Inventories	14	652.00	644.07	358.34	562.77	461.10	525.56
(b)	Trade Receivables	15	2,172.82	1,146.25	801.26	1,013.41	738.89	509.01
(c)	Cash and Bank Balances	16	17.03	21.97	13.89	25.76	57.14	99.13
(d)	Other Current Assets	17	232.64	304.39	282.73	203.18	160.67	197.50
			3,074.49	2,116.67	1,456.22	1,805.13	1,417.80	1,331.20
TOTAL			5,262.65	4,248.14	3,441.91	3,693.40	3,089.29	2,986.35

Significant Accounting Policies and Notes to Accounts

AS PER OUR REPORT OF EVEN DATE

For KPND AND CO
Chartered Accountants

KETAN POOJARA

Partner

Mem.-: 146343

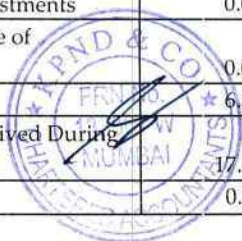
For MEDIBIOS LABORATORIES LIMITED
[Formerly : Medibios Laboratories Pvt Limited]MR TUSHAR KORDAY
DIRECTORPLACE : MUMBAI
Date : MARCH 30, 2018MR YOGESH GOLE
DIRECTORPLACE : MUMBAI
Date : MARCH 30, 2018

Particulars		Note No.	For the period ended 31/01/2018	For the year ended 31/03/2017	For the year ended 31/03/2016	For the year ended 31/03/2015	For the year ended 31/03/2014	For the year ended 31/03/2013
I INCOME								
1	Revenue from Operations (Gross)	19	5286.11	5281.20	4204.07	3941.01	3830.47	3433.34
	Less: Excise duty / GST		-523.30	-324.53	-197.80	-226.30	-242.69	-144.66
	Revenue from Operations (Net)		4762.80	4956.67	4006.28	3714.71	3587.78	3288.68
2	Other Income	20	12.35	3.37	2.41	8.46	33.97	19.27
	Total Revenue		4775.16	4960.04	4008.69	3723.17	3621.75	3307.96
II EXPENDITURE								
1	Cost of Materials Consumed	21	2569.19	2198.30	1715.43	2076.39	2006.95	2067.93
2	Changes in Inventories	22	-4.07	-74.43	67.85	-118.58	67.36	6.02
3	Employee Benefits Expense	23	460.78	485.15	400.07	365.07	278.60	236.47
4	Finance Costs	24	59.36	141.14	139.63	100.98	134.84	120.43
5	Depreciation - [Refer - Fixed Asset Schedule]		194.92	161.40	198.00	103.78	100.56	92.92
6	Other Expenses	25	782.75	1180.86	977.89	818.55	809.56	616.79
7	Amortization Expense	26	11.53	6.60	6.60	13.67	23.52	26.46
	Total Expenses		4074.46	4099.03	3505.49	3359.86	3421.39	3167.00
III Profit/(Loss) before tax			700.70	861.01	503.20	363.31	200.36	140.95
Tax / Statutory Provisions:								
	(1) Prior Period Items		-	-	-	-	-	-
	(2) Current Tax		188.67	280.29	188.18	115.90	59.93	41.97
	(3) Deferred Tax		4.39	4.38	-12.65	4.39	6.48	4.63
	(4) Corporate Social Responsibility		13.79	11.44	7.12	0.00	0.00	0.00
IV Profit / (Loss) after tax for the year			493.85	564.89	320.55	243.02	133.95	94.35
V Earnings Per Equity Share:								
	(Face value of ₹ 10/- Per Share)	26						
	(1) Basic		6.95	7.95	4.51	3.42	1.89	1.33
	(2) Diluted		6.95	7.95	4.51	3.42	1.89	1.33



T. Kardey *P. Patel*

Particulars	For the period ended 31/03/2018	For the year ended 31/03/2017	For the year ended 31/03/2016	For the year ended 31/03/2015	For the year ended 31/03/2014	For the year ended 31/03/2013
CASH FLOW FROM OPERATING ACTIVITIES						
Restated Net profit Before Tax and Extraordinary Items	700.70	861.01	503.20	363.31	200.36	140.95
Adjustments For:						
Depreciation	206.45	168.01	204.60	117.45	124.08	119.37
(Interest Received)	-6.54	-1.97	-1.02	-7.07	-32.57	-7.96
Other Non Cash income	-3.12	-1.40	-1.40	-1.40	-1.40	-1.40
Net (gain) / loss on Foreign Exchanges	0.00	0.00	0.00	0.00	0.00	0.00
Net (gain) / loss on Sale of Investments	0.00	0.00	0.00	0.00	0.00	0.00
Net (gain) / loss on Sale of Asset	0.00	0.00	27.70	0.00	0.00	0.00
Rental income	0.00	0.00	0.00	0.00	0.00	0.00
Interest and Finance Charges	59.36	141.14	139.63	100.98	134.84	120.43
Operating Profit before working capital changes	956.85	1,166.79	872.73	573.28	425.31	371.40
Adjustment For:	0.00	0.00	0.00	0.00	0.00	0.00
Decrease/(Increase) in Inventories	-7.93	-285.73	204.43	-101.66	64.45	-75.19
Decrease/(Increase) in Trade receivables	-1,026.57	-344.99	212.15	-274.53	-229.88	204.15
Decrease/(Increase) in Other Current Assets	71.74	-21.66	-79.55	-42.51	36.83	-149.51
Expenditure amortized as per management policy	-35.30	-5.00	0.00	0.00	-19.82	-13.20
Decrease/(Increase) in Short-term loans and advances	0.00	0.00	0.00	0.00	0.00	0.00
Decrease/(Increase) in Long Term Loans and Advances	-5.93	0.24	-0.03	29.54	-1.53	135.32
(Decrease)/Increase in Trade Payables	190.23	317.89	-248.73	34.24	137.75	-95.31
(Decrease)/Increase in Other Current Liabilities	122.50	43.22	-193.47	165.80	-97.65	124.66
(Decrease)/Increase in Short Term Provisions	8.74	8.01	23.53	4.22	50.90	1.80
(Decrease)/Increase in Other Non current Liabilities	-64.46	-55.15	-66.09	-10.89	-6.23	-11.70
Cash Generated from Operations	209.86	823.62	724.99	377.49	360.13	492.42
Taxes Paid	188.67	280.29	188.18	115.90	59.93	41.97
Corporate social Responsibility	13.79	11.44	7.12	0.00	0.00	0.00
Net Cash From / (Used In) Operating Activities (A)	7.40	531.89	529.68	261.59	300.21	450.44
Cash Flow From Investing Activities	0.00	0.00	0.00	0.00	0.00	0.00
(Purchase) / Sale of Fixed Assets/ Capital Work In Progress	-218.63	-309.03	-307.96	-239.79	-119.08	-213.35
Decrease/(Increase) in Non Current investments	-3.28	0.00	0.00	-123.98	0.00	0.00
Other Statutory Adjustments	0.00	0.00	0.00	0.00	0.00	0.00
Net gain / loss on Sale of Investments/Asset	0.00	0.00	-27.70	0.00	0.00	0.00
Interest Received	6.54	1.97	1.02	7.07	32.57	7.96
Capital Subsidy Received During the year	17.27	0.00	0.00	0.00	0.00	0.00
Rental income	0.00	0.00	0.00	0.00	0.00	0.00



Handwritten signatures: K. K. K. and P. K.

Net Cash From / (Used In) Investing Activities (B)	-198.10	-307.06	-334.65	-356.70	-86.50	-205.39
Cash Flow From Financing Activities	0.00	0.00	0.00	0.00	0.00	0.00
Proceeds from Issue of Shares	0.00	0.00	0.00	473.64	0.00	0.00
Security Premium	0.00	0.00	0.00	0.00	0.00	0.00
Dividend Paid & DDT Paid	0.00	-8.36	-6.41	-6.15	-4.13	-4.13
Interest and Finance Charges	-59.36	-141.14	-139.63	-100.98	-134.84	-120.43
Proceeds / (Repayments) of Share Application Money	0.00	0.00	0.00	0.00	0.00	0.00
(Decrease)/Increase in Short Term Borrowing	148.07	71.72	-373.21	24.36	-7.29	-34.44
(Decrease)/Increase in Long Term Borrowing	97.05	-138.97	312.35	146.50	-109.44	-36.36
Bonus issue	0.00	0.00	0.00	-473.64	0.00	0.00
Preliminary Expenses	0.00	0.00	0.00	0.00	0.00	0.00
Net gain / loss on Foreign Exchanges	0.00	0.00	0.00	0.00	0.00	0.00
Net Cash From Financing Activities (c)	185.76	-216.75	-206.91	63.73	-255.69	-195.37
Net Increase / (Decrease) in Cash (A)+(B)+(C)	-4.94	8.08	-11.87	-31.38	-41.99	49.69
Cash and Cash equivalents at the beginning of the year	21.97	13.89	25.76	57.14	99.13	49.44
Cash and Cash equivalents at the end of the year	17.03	21.97	13.89	25.76	57.14	99.13

(I) The Cash Flow statement has been prepared under Indirect method as per Accounting Standard-3 "Cash Flow Satements"

(II) Figures in Brackets represent outflows

(III) The above statement should be read with the restated statement of profit and loss , cash flow statements, significant



Handwritten signatures: Harshad and P. S.

THE ISSUE

PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS	
Equity Shares Offered: Public Issue of Equity Shares by our Company	Upto 22,90,800 Equity Shares of Rs. 10/- each for cash at a price of Rs. [·]/- per share aggregating to Rs. [·] Lakhs.
<i>of which</i>	
Fresh Issue⁽¹⁾	Upto 15,55,200 Equity Shares of Rs. 10/- each for cash at a price of Rs. [·]/- per share aggregating to Rs. [·] Lakhs.
Offer for Sale⁽²⁾	Upto 7,35,600 Equity Shares of Rs. 10/- each for cash at a price of Rs. [·]/- per share aggregating to Rs. [·] Lakhs.
<i>of which</i>	
Issue Reserved for the Market Makers	Upto 1,15,200 Equity Shares of Rs. 10/- each for cash at a price of Rs. [·]/- per share aggregating Rs. [·] Lakhs.
Net Issue to the Public*	Upto 21,75,600 Equity Shares of Rs. 10/- each for cash at a price of Rs. [·]/- per share aggregating Rs. [·] Lakhs.
	of which
	Upto 10,87,800 Equity Shares of Rs.10/- each for cash at a price of Rs. [·]/- per share (including a premium of Rs. 105 per Equity Share) will be available for allocation for allotment to Retail Individual Investors of up to Rs. 2.00 Lakhs.
	Upto 10,87,800 Equity Shares of Rs.10/- each for cash at a price of Rs. [●]/- per share (including a premium of Rs. [●] per Equity Share) will be available for allocation for allotment to Other Investors of above Rs. 2.00 Lakhs.
Equity Shares outstanding prior to the Issue	71,04,600 Equity Shares of face value of Rs. 10/- each
Equity Shares outstanding after the Issue	Upto 86,59,800 Equity Shares of face value of Rs. 10/- each

⁽¹⁾ Fresh Issue of 15,55,200 Equity Shares in terms of Draft Prospectus has been authorized pursuant to a resolution of our Board of Directors dated January 16, 2018 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting of the members held on February 9, 2018.

⁽²⁾ The offer for sale by Emil Pharmaceutical Industries Private Limited (“Selling Shareholder”) for 7,35,600 equity shares authorized by their respective undertaking dated February 9, 2018 It has been authorized pursuant to a resolution of our Board of Directors dated February 9, 2018

- a) The Selling Shareholder specifically confirms that their portion of the Offered shares by each of them by way of the offer, are eligible in accordance with the ICDR Regulations.
- b) 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 Structure**” beginning on page 237 of the Draft Prospectus
- c) *As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, the present issue is a fixed price issue ‘the allocation’ is the net offer 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.
- 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.

For further details please refer to the chapter titled “**Issue Structure**” beginning on page 237 of the Draft Prospectus.

GENERAL INFORMATION

Our Company was incorporated on March 8, 1995 as “Medibios Laboratories Private Limited” vide Registration no. 11- 86180 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Maharashtra at Mumbai. Subsequently, our Company was converted into a Public Limited Company pursuant to a Special Resolution passed by the Members of our Company in the Extraordinary General Meeting held on February 9, 2018 and the name of our Company was changed to Medibios Laboratories Limited vide Fresh Certificate of Incorporation consequent upon conversion issued by Registrar of Companies, Maharashtra at Mumbai dated March 7, 2018. The Corporate Identification Number of our Company is U24230MH1995PLC086180.

For further details please refer to chapter titled “*History and Certain Corporate Matters*” beginning on page 166 of this Draft Prospectus.

Registered Office

Medibios Laboratories Limited

102, Shree Mangalam, 1st floor, Kulupwadi,
Borivali (E) Mumbai 400066, Maharashtra, India
Tel. No.: 022 28841049/45

Fax: NA

E-mail: info@medibios.in

Website: www.medibios.in

Corporate Identification Number: U24230MH1995PLC086180

Registration Number: 11- 86180

Corporate Office

Medibios Laboratories Limited

301, Western Edge - I,
Above Metro Mall,
Off Western Express Highway,
Borivali [East],
Mumbai - 400 066

Tel. No.: 022 2854 1760

Fax No.: 022 2886 8456

Registrar of Companies

Registrar of Companies, Maharashtra, Mumbai

100, Everest, Marine Drive,
Mumbai, Maharashtra-400002, India

Board of Directors of our Company

The Board of Directors of our Company consists of:

Name	Designation	Address	DIN
Tushar Korday	Chairman & Managing Director	165, Vaibhav, Abihnav Nagar CHS, Abihnav Nagar, Road No. 6, Mumbai 400066, Maharashtra, India	00738316
Rajendra Gole	Whole-time Director	14/372, Bhardwaj Roop Nagar, Bandra (E), Mumbai 400051 Maharashtra, India	00738346
Yogesh Gole	Whole-time Director	14/372, Bhardwaj Roop Nagar, Bandra (E), Mumbai 400051	03443157

Name	Designation	Address	DIN
		Maharashtra, India	
Radheshyam Rohra	Independent Director	4/A-603 Lake Palace, Powai Vihar Complex, Powai, Mumbai – 400076, Maharashtra, India	00163318
Sharad Sheth	Independent Director	A/ 1501 Pratap Heritage, L.T. Road, Opp. Veer Savarkar Garden, Borivali West, Mumbai – 400 092	08090542
Meena Kapadi	Independent Director	4A/ Ameya CHS, New Off Link Road, Y.M.C.A., D.N. Nagar, Andheri West, Mumbai – 400 053	08074814

For further details of the Directors of our Company, please refer to the chapter titled “*Our Management*” on page 170 of this Draft Prospectus.

Company Secretary and Compliance Officer

Sangeeta Dhanuka

Medibios Laboratories Limited

301, Western Edge - I,
Above Metro Mall,
Off Western Express Highway,
Borivali [East],
Mumbai - 400 066

Tel. No.: 022 2854 1760

Fax No.: 022 2886 8456

E-mail: compliance@medibios.in

Chief Financial Officer

Sharvari Sawant

Medibios Laboratories Limited

301, Western Edge - I,
Above Metro Mall,
Off Western Express Highway,
Borivali [East],
Mumbai - 400 066

Tel. No.: 022 2854 1760

Fax No.: 022 2886 8456

E-mail: cfo@medibios.in

Investors may contact our Company Secretary and Compliance Officer and / or the Registrar to the Issue and/ 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 account.

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

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

For all Issue related queries, and for redressal of complaints, applicant may also write to the Lead Manager. All complaints, queries or comments received by Stock Exchange shall be forwarded to the Lead Manager, who shall respond to the same.

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

Lead Manager to the Issue

Asit C. Mehta Investment Intermediates Ltd
Nucleus House, Saki Vihar Road,
Andheri East, Mumbai Maharashtra, 400072 India
Tel No.: 022 2858 4545
Fax No: 022 2857 7647
Email: ib@acm.co.in
Website: www.investmentz.com
Contact Person: Purvi Ambani
SEBI Regn. No.: INM000010973

Legal Advisor to the Company

MMJC & Associates LLP
Ecstasy, 803/804 9th floor, Citi of Joy,
JSD Road, Mulund (W), Mumbai – 400080
Tel No.: +91-22-21678100
Fax: NA
Email: makrandjoshi@mmjc.in
Website: www.mmjcadvisory.com
Contact Person: Mr. Makrand M. Joshi

Legal Advisor to the Issue

Verus
#15, First Floor, Firuz Ara (West Wing),
Opp. Mantralaya, Madam Cama Road,
Mumbai - 400021
Tel. No.: +91-22-62443900
Fax No.: +91-22-62443907
Email: dipankar.bandyopadhyay@verus.net.in
Website: www.verus.net.in
Contact Person: Dipankar Bandyopadhyay

Registrar to the Issue

Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East), Mumbai – 400059,
Maharashtra, India
Tel No.: 022 6263 8200
Fax No.: 022 6263 8299
Email: ipo@bigshareonline.com
Investor Grievance Email: investor@bigshareonline.com
Website: www.bigshareonline.com
Contact Person: Babu Rapheal
SEBI Regn. No.: INR000001385

Bankers to the Company

Kotak Mahindra Bank Limited

C 12 G Block, Kotak Mahindra Bank Limited

BKC, Mumbai – 400 051

Tel No.: 022 6218 5595

Fax No.: NA

Email: monalee.chawla@kotak.com

Website: www.kotak.com

Contact Person: Monalee Chawla

Statutory Auditors

Anil Thakrar & Co.

Chartered Accountants

B/104, Mrud Kishor Building,

Dattapada Road, Borivali [West],

Mumbai: 400092.

Tel. No: 022-28076920

Fax No.: NA

Email: anilthakrarandco@gmail.com

Firm Registration No.: 0113880W

Membership No.: 047575

Contact Person: Mr. Anil Thakrar

Peer Review Auditors

KPND & Co.,

Chartered Accountants

44, Shree Naman Plaza,

Shankar Lane, S V Road,

Kandivali West,

Mumbai – 400 067

Tel. No.: 091 6709 5661

Email:

Firm Registration No.: 0138861W

Contact Person: Ketan Poojara

Bankers to the Issue

[•]

[•]

Tel No:

Fax No.:

Email:

Website:

Contact Person:

STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES

Since Asit C. Mehta Investment Intermediates Ltd is the sole Lead Manager to this issue, a statement of inter se allocation of responsibilities among Lead Managers is not required.

CREDIT RATING

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

IPO GRADING

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

DEBENTURE TRUSTEES

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

MONITORING AGENCY

As per Regulation 16(1) of the SEBI (ICDR) Regulations, 2009 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 10,000.00 Lakhs and hence our Company has not appointed a monitoring agency for this issue.

However, as per the Regulation 18 (3) read with part C of schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee of our Company would be monitoring the utilization of the proceeds of the Issue.

APPRAISING ENTITY

No appraising entity has been appointed in respect of any objects of this Issue.

UNDERWRITING

The Company, the selling Shareholder and the Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten by [·] in the capacity of Underwriter to the Issue.

Pursuant to the terms of the Underwriting Agreement dated [●], entered into by Company, the selling shareholder and Underwriter [·], the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (Rs. in Lakh)	% of Total Issue Size Underwritten
[·]	[·]	[·]	[·]
Total	[·]	[·]	[·]

**Includes upto 1,15,200 Equity Shares of the Market Maker Reservation Portion.*

As per Regulation 106P (2) of SEBI (ICDR) Regulations, the Lead Manager has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account. However, in our case 100% underwriting is done by the Lead Manager.

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

SELF CERTIFIED SYNDICATE BANKS (“SCSBS”)

The list of Designated Branches that have been notified by SEBI to act as SCSB for the ASBA process is provided on www.sebi.gov.in/pmd/scsb.pdf For more information on the Designated Branches collecting ASBA Forms, see the above mentioned SEBI link.

The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

BROKERS TO THE ISSUE

All members of the NSE would be eligible to act as Brokers to the Issue.

REGISTERED BROKERS

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the NSE at www.nseindia.com, as updated from time to time.

REGISTRAR TO THE ISSUE AND SHARE TRANSFER AGENTS

The list of the RTAs eligible to accept application forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the websites of Stock Exchange at www.nseindia.com, as updated from time to time.

COLLECTING DEPOSITORY PARTICIPANTS

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

EXPERTS OPINION

Except for the reports in the section “*Financial Information of the Company*” and “*Statement of Tax Benefits*” on page 195 and page 116 of this Draft Prospectus from the Peer Review Auditors, our Company has not obtained any expert opinions. We have received written consent from the Peer Review Auditors for inclusion of their name. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company and the Lead Manager has entered into Market Making Agreement dated [●] with the following Market Maker, to fulfil the obligations of Market Making for this Issue:

Name	Asit C. Mehta Investment Intermediates Limited
Correspondence Address:	Nucleus House, Saki Vihar Road, Andheri East, Mumbai Maharashtra, 400072 India
Tel No.:	022-28584545
Fax No.	022-28577647
E-mail:	bharat.patel@acm.co.in
Website:	www.investmenttz.com
Contact Person:	Bharat Patel
SEBI Registration No.:	INB 010607233

The Market Maker shall fulfill 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 NSE 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) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- 2) The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of SME Platform of NSE and SEBI from time to time.
- 3) 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) (individually or jointly) in that script provided that he sells his entire holding in that script in one lot along with a declaration to the effect to the selling broker.

- 4) The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform (in this case currently the minimum trading lot size is [●] equity shares; however the same may be changed by the SME Platform of NSE from time to time).
- 5) After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2 way quotes.
- 6) There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
- 7) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- 8) 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.
- 9) On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
- 10) The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 11) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while *force-majeure* will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final
- 12) The Market Maker(s) shall have the right to terminate said arrangement by giving a six months notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement.

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 106 V of the SEBI (ICDR) Regulations, 2009, as amended. Further our 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 particulars point of time. The Market Making Agreement is available for inspection at our office from 11.00 a.m. to 5.00 p.m. on working days.

- 13) **Risk containment measures and monitoring for Market Makers:** NSE SME Exchange will have all margins, which are applicable on the NSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
- 14) **Punitive Action in case of default by Market Makers:** NSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is

not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

- 15) Price Band and Spreads: The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time
- 16) Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the Issue size and as follows:

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

- 17) All the above mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

CAPITAL STRUCTURE

Certain forms and resolutions filed with Registrar of Companies (prior to 2006) are not traceable by our Company. With respect to this chapter these include forms and resolutions for incorporation and change in constitution of Company, share transfer forms, etc. Hence, this chapter is prepared based on the ROC search reports, data provided by management and to the best of information available.

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

Amount (Rs. in Lakhs, except share data)

Sr. No.	Particulars	Aggregate nominal Value	Aggregate Value at Issue Price
A	Authorized Share Capital 1,00,00,000 Equity Shares having Face Value of Rs 10/- each	1000.00	-
B	Issued, Subscribed & Paid-up Share Capital prior to the Issue 71,04,600 Equity Shares having Face Value of Rs.10/- each fully paid up before the Issue.	710.46	-
C	Present Issue in terms of the Draft Prospectus <ul style="list-style-type: none"> • Fresh Issue of upto 15,55,200 Equity Shares having Face Value of Rs.10/- each with a premium of Rs. 105/- per Equity Share. • Offer for Sale of upto 7,35,600 Equity Shares having Face Value of Rs. 10/- each with a premium of Rs. 105/- per Equity Share. 	229.08	[.]
	Which Comprises		
	Reservation for Market Maker portion Upto 1,15,200 Equity Shares of Rs. 10/- each at a premium of Rs. 105/- per Equity Share	11.52	[.]
	Net Issue to the Public Upto 21,75,600 Equity Shares of Rs. 10/- each at a premium of Rs. 105/- per Equity Share	217.56	[.]
	of which		
	Upto 10,87,800 Equity Shares of Rs. 10/- each at a premium of Rs. 105/- per Equity Share will be available for allocation for allotment to Retail Individual Investors applying for a value of up to Rs. 2.00 Lakhs	108.78	[.]
	Upto 10,87,800 Equity Shares of Rs. 10/- each at a premium of Rs. 105/- per Equity Share will be available for allocation for allotment to Other Investors applying for a value of above Rs. 2.00 Lakhs	108.78	[.]
D	Issued, Subscribed and Paid up Equity Share capital after the Issue Upto 86,59,800 Equity Shares having Face Value of Rs. 10/- each	865.98	-
E	Securities Premium Account		
	Before the Issue		Nil
	After the Offer		[.]

**Fresh Issue 15,55,200 of in terms of Draft Prospectus has been authorized pursuant to a resolution of our Board of Directors dated January 16, 2018 and by special resolution passed at the Extra Ordinary General Meeting of the members held on February 9, 2018.*

**Offer for Sale 7,35,600 of in terms of Draft Prospectus has been authorized by Board of Emil Pharmaceutical Industries Private Limited in their meeting held on February 9, 2018 and vide a undertaking dated February 9, 2018.*

Class of Shares

Our Company has only one class of share capital i.e. Equity Shares of Rs.10/- each only. All Equity Shares issued are fully paid up. Our Company does not have any outstanding convertible instruments as on the date of the Draft Prospectus.

Notes to Capital Structure

1. Details of changes in Authorized Share Capital of our Company:

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

- a. The initial authorized share capital of our Company was Rs. 25.00 Lakhs divided into 2,50,000 Equity Shares of Rs. 10/- each.
- b. This Authorized Capital was increased to Rs. 75.00 Lakhs divided into 7,50,000 Equity Shares of Rs. 10/- each pursuant to a resolution passed by our Shareholders in their Extraordinary General Meeting held on December 15, 1997.
- c. Further, Authorized Capital was increased to Rs. 250.00 Lakhs divided into 25,00,000 Equity Shares of Rs. 10/- each pursuant to a resolution passed by our Shareholders in their Extraordinary General Meeting held on February 01, 2002.
- d. Further, Authorized Share Capital was increased to Rs. 500.00 Lakhs divided into 50,00,000 Equity Shares of Rs. 10/- each pursuant to a resolution passed by our shareholders in their Extraordinary General Meeting held on December 27, 2013.
- e. Further Authorized Share Capital of our Company was increased to Rs. 750.00 Lakhs divided into 75,00,000 Equity Shares of Rs. 10/- each pursuant to a resolution passed by our Shareholders in their Extraordinary General Meeting held on November 07, 2014.
- f. Further, Authorized Share Capital of our Company was increased to Rs. 1,000.00 Lakhs divided into 1,00,00,000 Equity Shares of Rs. 10/- each pursuant to a resolution passed by our Shareholders in their Extraordinary General Meeting held on February 9, 2018.

2. Equity Share Capital History of our Company:

- a. The history of the equity share capital and the securities premium account of our company are set out in the following table:-

Date of Allotment / Date of Fully Paid Up	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid Up Share Capital (Rs.)
On Incorporation	400	10	10	Cash	Subscription to MOA ⁽ⁱ⁾	400	4000
March 31, 1995	16,000	10	10	Other than Cash	Further Issue ⁽ⁱⁱ⁾	16,400	1,64,000

Date of Allotment / Date of Fully Paid Up	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid Up Share Capital (Rs.)
May 31, 1995	1,40,000	10	10	Other than Cash	Further Issue ⁽ⁱⁱⁱ⁾	1,56,400	15,64,000
December 26, 1997	5,15,600	10	10	Cash	Further Issue ^(iv)	6,72,000	67,20,000
January 19, 1998	78,000	10	10	Cash	Further Issue ^(v)	7,50,000	75,00,000
March 30, 2002	4,58,000	10	20	Other than Cash	Conversion of unsecured loan into Equity ^(vi)	12,08,000	1,20,80,000
March 31, 2005	3,05,000	10	10	Cash	Further Issue ^(vii)	15,13,000	1,51,30,000
March 31, 2007	6,05,200	10	-	-	Bonus ^(viii)	21,18,200	2,11,82,000
September 29, 2011	2,50,000	10	40	Cash	Further Issue ^(ix)	23,18,200	2,31,82,000
March 25, 2015	47,36,400	10	-	-	Bonus ^(x)	71,04,600	7,10,46,000

All the above mentioned shares are fully paid up since the date of allotment.

Notes:

(i) Initial subscribers to the Memorandum of Association subscribed 400 Equity Shares of face value of Rs. 10/- each, details of which are given below:

S. No.	Names of Person	Number of Shares Allotted
1.	Mahendrakumar Pukhraj Jain	100
2.	Savita Chhaganraj Jain	100
3.	Lalbahadur Sarjuprasad Yadav	100
4.	Kirit Jugraj Kanther	100
Total		400

(ii) Allotment of 16,000 Equity Shares of face value of Rs. 10/- each fully paid at Issue Price of Rs. 10/- pursuant takeover of business of M/s Medibios Laboratories.

S. No.	Names of Person	Number of Shares Allotted
1.	Mahendrakumar Pukhraj Jain	6,400
2.	Savita Chhaganraj Jain	1,800
3.	Lalbahadur Sarjuprasad Yadav	2,500
4.	Kirit Jugraj Kanther	5,300
Total		16,000

(iii) Allotment of 1,40,000 Equity Shares of face value of Rs. 10/- each fully paid at Issue Price of Rs. 10/- pursuant takeover of Business of M/s Medibios Laboratories.

S. No.	Names of Person	Number of Shares Allotted
1.	Mahendrakumar Pukhraj Jain	61,800
2.	Savita Chhaganraj Jain	9,600
3.	Lalbahadur Sarjuprasad Yadav	19,500
4.	Kirit Jugraj Kanther	49,100
Total		1,40,000

(iv) Allotment of 5,15,600 Equity Shares of face value of Rs. 10/- each fully paid at Issue Price of Rs. 10/- each

S. No.	Names of Person	Number of Shares Allotted
1.	Emil Pharmaceutical Industries Pvt. Ltd	1,60,000
2.	Tushar Anil Korday	88,900
3.	Anil Dwarkanath Korday	44,450
4.	Shailaja Tushar Korday	44,450
5.	Rajendra Fattesinh Gole	88,900
6.	Fattesinh Krishnarao Gole	88,900
Total		5,15,600

(v) Allotment of 78,000 Equity Shares of face value of Rs. 10/- each fully paid at Issue Price of Rs. 10/- each against application money received.

S. No.	Names of Person	Number of Shares Allotted
1.	Tushar Anil Korday	39,000
2.	Rajendra Fattesinh Gole	39,000
Total		78,000

(vi) Allotment of 4,58,000 Equity Shares of Face Value of Rs. 10/- each fully paid against unsecured loan of Rs. 91,60,000 at a conversion price of Rs. 20/- each.

S. No.	Names of Person	Number of Shares Allotted
1.	Anil Dwarkanath Korday	19,500
2.	Shailaja T Korday	19,500
3.	Jyoti R Gole	19,500
4.	Fattesinh K Gole	19,500
5.	Steri-Med [India] Pvt Ltd	3,80,000
Total		4,58,000

(vii) Allotment of 3,05,000 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 10/- each against application money received.

S. No.	Names of Person	Number of Shares Allotted
1.	Jyoti Rajendra Gole	25,000
2.	Anil Dwarkanath Korday	92,500
3.	Shailaja Tushar Korday	23,500
4.	Tushar Anil Korday HUF	23,000
5.	C F Gole HUF	22,000
6.	F K Gole HUF	22,000
7.	Sanjiv R Patange HUF	5,000
8.	Emil Pharmaceutical Industries Private Ltd	92,000
Total		3,05,000

(viii) Bonus allotment of 6,05,200 Equity Shares of Face Value of Rs. 10/- each fully paid in the ratio 2:5 i.e.2 Bonus Equity Shares for every 5 Equity Shares held

S. No.	Names of Person	Number of Shares Allotted
1.	Anil Dwarkanath Korday	62,576
2.	Chandrashekhhar Fattesinh Gole HUF	8,804
3.	Fattesinh Krishnarao Gole	43,356
4.	Fattesinh Krishnarao Gole HUF	8,800
5.	Jyoti Rajendra Gole	1,15,240
6.	Shailaja Tushar Korday	1,02,420
7.	Tushar Anil Korday HUF	9,204
8.	Sanjiv R Patange HUF	2,000
9.	Emil Pharmaceutical Industries Private Ltd	1,00,800
10.	Steri-Med (India) Pvt Ltd	1,52,000
Total		6,05,200

(ix) Allotment of 2,50,000 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 10/- each against application money received.

S. No.	Names of Person	Number of Shares Allotted
1.	Tushar Anil Korday	5,000
2.	Emil Holdings Private Limited	2,45,000
Total		2,50,000

(x) Bonus allotment of 47,36,400 Equity Shares of Face Value of Rs. 10/- each fully paid in the ratio 4:2 i.e. 4 Bonus Equity Shares for every 2 Equity Shares held

S. No.	Names of Person	Number of Shares Allotted
1.	Shailaja Tushar Korday	7,92,940
2.	Tushar Anil Korday	4,48,032
3.	Tushar Anil Korday HUF	1,60,428
4.	Sanjiv R Patange HUF	14,000
5.	Rajendra Fattesinh Gole	3,65,092
6.	Rajendra Fattesinh Gole HUF	20,000
7.	Jyoti Rajendra Gole	8,82,680
8.	Chandrashekhhar Fattesinh Gole HUF	61,628
9.	Yogesh Rajendra Gole	76,000
10.	Emil Pharmaceutical Industries Private Ltd	14,65,600
11.	Emil Holdings Pvt Ltd	4,50,000
Total		47,36,400

3. We have not issued any Equity Shares in the last two years preceding the date of the this Draft Prospectus.

4. Issue of Equity Shares for consideration other than cash

Save and Except as set out below we have not issued any Equity Shares for consideration other than cash:

Date of the allotment	No. of Equity shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Reasons for allotment	Benefit Accrued to our Company	Allottees	No. of Shares allotted
March 31 1995	16,000	10	10	Allotment pursuant to takeover of Business	For takeover of Business of M/s Medibios Laboratories	Mahendrakumar Pukhraj Jain	6,400
						Savita Chhaganraj Jain	1,800
						Lalbahadur Sarjuprasad Yadav	2,500
						Kirit Jugraj Kanther	5,300
						Total	16,000
May 31 1995	1,40,000	10	10	Allotment pursuant to takeover of Business	For takeover of Business of M/s Medibios Laboratories	Mahendrakumar Pukhraj Jain	61,800
						Savita Chhaganraj Jain	9,600
						Lalbahadur Sarjuprasad Yadav	19,500
						Kirit Jugraj Kanther	49,100
						Total	1,40,000
March 30, 2002	4,58,000	10	20	Conversion of unsecured loan into Equity Shares	Reduction of Unsecured Debt	Tushar Korday	1,29,700
						Rajendra Gole	1,29,700
March 31, 2007	6,05,200	10	NIL	Bonus Issue of equity shares in the ratio of 5:2 by way of capitalization of Reserves & Surplus	Capitalisation of Reserves	Anil Dwarkanath Korday	62,576
						Chandrashekhar Fattesinh Gole HUF	8,804
						Fattesinh Krishnarao Gole	43,356
						Fattesinh Krishnarao Gole HUF	8,800
						Jyoti Rajendra Gole	1,15,240
						Shailaja Tushar Korday	1,02,420
						Tushar Anil Korday HUF	9,204
						Sanjiv R Patange HUF	2,000
						Emil Pharmaceutical Industries Private Ltd	1,00,800
Steri-Med (India) Pvt Ltd	1,52,000						
						Total	6,05,200

Date of the allotment	No. of Equity shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Reasons for allotment	Benefit Accrued to our Company	Allottees	No. of Shares allotted
March 25, 2015	47,36,400	10	NIL	Bonus Issue of equity shares in the ratio of 4:2 by way of capitalization of Reserves & Surplus	Capitalisation of Reserves	Shailaja Tushar Korday	7,92,940
						Tushar Anil Korday	4,48,032
						Tushar Anil Korday HUF	1,60,428
						Sanjiv R Patange HUF	14,000
						Rajendra Fattesinh Gole	3,65,092
						Rajendra Fattesinh Gole HUF	20,000
						Jyoti Rajendra Gole	8,82,680
						Chandrashekhar Fattesinh Gole HUF	61,628
						Yogesh Rajendra Gole	76,000
						Emil Pharmaceutical Industries Private Ltd	14,65,600
						Emil Holdings Pvt Ltd	4,50,000
Total						47,36,400	

*Above Bonus Allotments of shares have been made out of Securities Premium and Free Reserves available for distribution to shareholders and no part of revaluation reserve has been utilized for the purpose.

Further,

- 1) No Equity Shares have been allotted pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956 or 231-232 of the Companies Act, 2013.
- 2) We have not revalued our assets since inception. Also, we have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
- 3) There are no Equity Shares that have been issued at price which may be below the Issue Price within last one year from the date of the Draft Prospectus.

5. Capital Build up in respect of shareholding of our Promoters:

As on date of the Draft Prospectus, our promoters hold 37,33,116 Equity Shares constituting 52.55% of the total pre issue paid up capital of our Company.

None of the Equity Shares held by our Promoter are subject to any pledge.

- (a) Set forth below is the build-up of the equity shareholding of our Promoters, since the incorporation of our Company:

I. Tushar Korday

Date of Allotment and made fully paid up /transfer	Nature of Issue	No. of Equity Shares	Face Value Per Share (Rs.)	Issue /Acquisition/ Transfer Price per Equity Share (Rs.)	Pre- Issue Shareholding %	Post-Issue Shareholding %
December 26, 1997	Further Issue	88,900	10	10	1.25	[.]
January 19, 1998	Further Issue	39,000	10	10	0.55	[.]
November 15, 2001	Transfer*	(1,27,900)	10	10	-1.80	[.]
September 29, 2011	Further Issue	5,000	10	40	0.07	[.]
March 12, 2012	Transmission**	2,19,016	10	-	3.08	[.]
March 25, 2015	Bonus Issue	4,48,032	10	-	6.31	[.]
December 1, 2017	Transfer	(7500)	10	115	(0.11)	[.]
	Total	6,64,548			9.35	[.]

* Details of Transfers of Shares held by Tushar Korday

Date of Transfer	Name of Transferor	Name of Transferee	No. of Share Transfer
November 15, 2001	Tushar Korday	Shailaja Korday	1,27,900
December 1, 2017	Tushar Korday	Rajendra Gole	7500

** Details of Acquisition of Share by Tushar Korday by way of transmission

Date of Transmission	Name of the Deceased	Name of Successor	No. of Share Transfer
March 12, 012	Anil Korday	Tushar Korday	2,19,016

II. Rajendra Gole

Date of Allotment and made fully paid up /transfer	Nature of Issue	No. of Equity Shares	Face Value Per Share (Rs.)	Issue /Acquisition/ Transfer Price per Equity Share (Rs.)	Pre- Issue Share-holding %	Post-Issue Share-holding %
December 26, 1997	Further Issue	88,900	10	10	1.25	[.]
January 19, 1998	Further Issue	39,000	10	10	0.55	[.]
November 15, 2001	Transfer*	(1,27,900)	10	10	-1.80	[.]
June 30, 2011	Transfer*	1,82,546	10	10	2.57	[.]
March 25, 2015	Bonus Issue	3,65,092	10	-	5.14	[.]
December 1, 2017	Transfer	7,500	10	100	0.11	[.]
	Total	5,55,138			7.81	[.]

*Details of Transfer of Shares by Rajendra Gole

Date of Transfer	Name of Transferor	Name of Transferee	No. of Share Transfer
November 15, 2001	Rajendra Gole	Jyoti Rajendra Gole	1,27,900
June 30, 2011	Fattesinh Gole	Rajendra Fattesinh Gole	1,51,746
June 30, 2011	Fattesinh Krishnarao Gole (HUF)	Rajendra Fattesinh Gole	30,800

III. Shailaja Korday

Date of Allotment and made fully paid up /transfer	Nature of Issue	No. of Equity Shares	Face Value Per Share (Rs.)	Issue /Acquisition/ Transfer Price per Equity Share (Rs.)	Pre- Issue Share-holding %	Post-Issue Share-holding %
December 26, 1997	Further Issue	44,450	10	10	0.63	[.]
November 15, 2001	Transfer*	1,27,900	10	10	0.27	[.]

Date of Allotment and made fully paid up /transfer	Nature of Issue	No. of Equity Shares	Face Value Per Share (Rs.)	Issue /Acquisition/ Transfer Price per Equity Share (Rs.)	Pre- Issue Share-holding %	Post-Issue Share-holding %
March 30, 2002	Conversion of unsecured loan	19,500	10	20	1.80	[.]
March 31, 2005	Transfer*	40,700	10	10	0.57	[.]
March 31, 2005	Further Issue	23,500	10	10	0.33	[.]
March 31, 2007	Bonus Issue	1,02,420	10	-	1.44	[.]
March 31, 2011	Transfer*	38,000	10	10	0.53	[.]
March 25, 2015	Bonus Issue	7,92,940	10	-	11.16	[.]
	Total	11,89,410			16.74	[.]

***Details of Transfer of Shares**

Date of Transfer	Name of Transferor	Name of Transferee	No. of Share Transfer
November 15, 2001	Tushar Korday	Shailaja Gole	1,27,900
March 31, 2005	Kirit Kanthar	Shailaja Gole	19,100
March 31, 2005	Lalbahadur Yadav	Shailaja Gole	21,600
March 31, 2011	Steri-med (India) Private Limited	Shailaja Gole	38,000

IV. Jyoti Gole

Date of Allotment and made fully paid up /transfer	Nature of Issue	No. of Equity Shares	Face Value Per Share (Rs.)	Issue /Acquisition/ Transfer Price per Equity Share (Rs.)	Pre- Issue Share-holding %	Post-Issue Share-holding %
November 15, 2001	Transfer*	1,27,900	10	10	1.80	[.]
March 30, 2002	Allotment	19,500	10	20	0.27	[.]
March 31, 2005	Transfer *	1,15,700	10	10	1.63	[.]
March 31, 2005	Bonus Issue	25,000	10	-	0.35	[.]

Date of Allotment and made fully paid up /transfer	Nature of Issue	No. of Equity Shares	Face Value Per Share (Rs.)	Issue /Acquisition/ Transfer Price per Equity Share (Rs.)	Pre- Issue Share-holding %	Post-Issue Share-holding %
March 31, 2007	Further Issue	1,15,240	10	10	1.62	[.]
March 31, 2011	Transfer*	38,000	10	10	0.53	[.]
March 25, 2015	Bonus Issue	8,82,680	10	-	12.42	[.]
	Total	13,24,020			18.64	[.]

***Details of Transfer of Shares**

Date of Transfer	Name of Transferor	Name of Transferee	No. of Share Transfer
November 15, 2001	Rajendra F Gole	Jyoti Rajendra Gole	1,27,900
March 31, 2005	Kirit Jugraj Kanther	Jyoti Rajendra Gole	35,400
March 31, 2005	Lalbahadur Sarjuprasad Yadav	Jyoti Rajendra Gole	500
March 31, 2005	Mahendrakumar Pukhraj Jain	Jyoti Rajendra Gole	68,300
March 31, 2005	Savita Chhaganraj Jain	Jyoti Rajendra Gole	11,500
March 31, 2011	Steri-Med (India) Private Limited	Jyoti Rajendra Gole	38,000

(b) Details of Promoter contribution locked in for three years

Details of Promoters' Contribution locked in for 3 Years Pursuant to Regulations 32 and 36 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post offer Equity Share capital of our Company held by our Promoter shall be provided towards minimum promoter's contribution and locked-in for a period of three years from the date of Allotment ("Minimum Promoter's Contribution").

Set forth below are the details of the Equity Shares that will be locked up as Minimum Promoter's Contribution for a period of three years from the date of Allotment of Equity Shares in the Issue.

Date of allotment of fully paid up shares	Nature of Allotment/ Transfer	No. of Shares allotted & locked in	Face Value (Rs.)	Issue Price / Transfer Price (Rs.)	Pre-Issue Shareholding %	Post-Issue Shareholding %	Source of Funds
Tushar Korday							
[.]	[.]	[.]	[.]	[.]	[.]	[.]	[.]
Rajendra Gole							
[.]	[.]	[.]	[.]	[.]	[.]	[.]	[.]
Shailaja Korday							
[.]	[.]	[.]	[.]	[.]	[.]	[.]	[.]
Jyoti Gole							
[.]	[.]	[.]	[.]	[.]	[.]	[.]	[.]
Total							

The minimum Promoter contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as "promoter" under the SEBI ICDR Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoters Contribution as per Regulation 33 of the SEBI ICDR Regulations and are being locked in for 3 years as per Regulation 36(a) of the SEBI ICDR Regulations i.e. for a period of three years from the date of allotment of Equity Shares in this Issue.

No Equity Shares proposed to be locked-in as Minimum Promoters Contribution have been issued out of revaluation reserve or for consideration other than cash and revaluation of assets or capitalization of intangible assets, involved in such transactions.

The entire pre-issue shareholding of the Promoters, other than the Minimum Promoters contribution which is locked in for three years and shares offered in Offer for sale, shall be locked in for a period of one year from the date of allotment in this Issue.

Our Promoters Tushar Korday, Rajendra Gole, Shailaja Korday and Jyoti Gole, by a written undertaking, consented to have [.] Equity Shares held by them in aggregate to be locked in as Minimum Promoters Contribution for a period of three years from the date of allotment in this Issue and will not be disposed / sold / transferred by the promoters during the period starting from the date of filing this Draft Prospectus with SME Platform of NSE till the date of commencement of lock-in period as stated in this Draft Prospectus. The Equity Shares under the Promoters contribution will constitute [.]% of our post-issue paid up share capital.

Our Promoters have also consented that the Promoters contribution under Regulation 32 of the SEBI ICDR Regulations will not be less than 20% of the post issue paid up capital of our Company.

Eligibility of Share for "Minimum Promoters Contribution in terms of clauses of Regulation 33 (1) of SEBI (ICDR) Regulations, 2009

Reg. No.	Promoters' Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
33(1) (a) (i)	Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction	The Minimum Promoter's contribution does not consist of such Equity Shares which have been acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets. [·]
33 (1) (a) (ii)	Specified securities acquired during the preceding three years, 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	The minimum Promoter's contribution does not consist of such Equity Shares. [·]
33 (1) (b)	Specified securities acquired by promoters during the preceding one year at a price lower than the price at which specified securities are being offered to public in the initial public offer	The minimum Promoter's contribution does not consist of such Equity Shares. [·]
33 (1) (c)	Specified securities allotted to promoters during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms, where the partners of the erstwhile partnership firms are the promoters of the issuer and there is no change in the management: Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible	The minimum Promoter's contribution does not consist of such Equity Shares. [·]
33 (1) (d)	Specified securities pledged with any creditor.	Our Promoter's has not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. [·]

(c) Details of Share Capital Locked In For One Year

In terms of Regulation 36(b) and 37 of the SEBI ICDR Regulations, in addition to the Minimum Promoters contribution which is locked in for 3 (three) years, as specified above, the entire pre-issue equity share capital held by promoters and entire pre-issue capital held by persons other than promoters of our Company i.e. Promoter Group Entities and public shareholders, except the shares offered for sale through the Issue constituting [·] Equity Shares shall be locked in for a period of 1 (one) year from the date of allotment of Equity Shares in this Issue.

The Equity Shares which are subject to lock-in shall carry inscription '**non-transferable**' along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

Other requirements in respect of lock-in:

- a) In terms of Regulation 39 of the SEBI ICDR Regulations, the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.
- b) In terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Offer may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 36 or 37 of the SEBI ICDR Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

Further in terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by the Promoters may be transferred to and amongst the Promoter Group or to new promoters or persons in control of the company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

9. Our Shareholding Pattern

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on the date of the Draft Prospectus:

I – Summary of Shareholding Pattern:-

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class Equity Shares of Rs.10/- each^	Class eg: y	Total								
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX				X	XI=VII+X	XII	XIII	XIV		
(A)	Promoter & Promoter Group	10	70,83,600	-	-	70,83,600	99.70	70,83,600	-	70,83,600	99.70	-	99.70	-	-	-	[●]	
(B)	Public	1	21,000	-	-	21,000	00.30	21,000	-	21,000	00.30	-	00.30	-	-	-	[●]	
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total	11	71,04,600	-	-	71,04,600	100.00	71,04,600	-	71,04,600	100.00	-	100.00	-	-	-	[●]	

*As on date of this Draft Prospectus 1 Equity share holds 1 vote.^ We have only one class of Equity Shares of face value of Rs. 10/- each.

10. Details of the Pre and Post Issue Shareholding of our Promoter and Promoter Group as on the date of the Draft Prospectus is as below:-

Sr. No	Names	Pre Issue		Post Issue	
		Shares Held	Percentage	Shares Held	Percentage
	Promoter				
1.	Tushar Korday	6,64,548	9.35	6,64,548	[.]
2.	Rajendra Gole	5,55,138	7.81	5,55,138	[.]
3.	Shailaja Korday	11,89,410	16.74	11,89,410	[.]
4.	Jyoti Gole	13,24,020	18.64	13,24,020	[.]
	TOTAL (A)	37,33,116	52.55	37,33,116	[.]
	Promoter Group				
5.	Emil Pharmaceuticals Industries Pvt. Ltd	21,98,400	30.94	14,62,800	[.]
6.	Emil Holdings Pvt. Ltd	6,75,000	9.50	6,75,000	[.]
7.	Tushar Korday HUF	2,40,642	3.39	2,40,642	[.]
8.	Chandrakant Gole HUF	92,442	1.30	92,442	[.]
9.	Rajendra Gole HUF	30,000	0.42	30,000	[.]
10.	Yogesh Gole	1,14,000	1.60	1,14,000	[.]
	TOTAL (B)	33,50,484	47.16	26,14,884	[.]
	GRAND TOTAL (A+B)	70,83,600	99.70	63,48,000	[.]

11. The Top Ten Shareholders of our Company and their Shareholding is set forth below:-

a) Our top ten shareholders as on the date of filing of the Draft Prospectus are as follow:

Sr. No.	Names	Shares Held	% shares held
1.	Emil Pharmaceutical Industries Pvt. Ltd	21,98,400	30.94
2.	Jyoti Gole	13,24,020	18.64
3.	Shailaja Korday	11,89,410	16.74
4.	Emil Holdings Pvt. Ltd	6,75,000	9.50
5.	Tushar Korday	6,64,548	9.35
6.	Rajendra Gole	5,55,138	7.81
7.	Tushar Korday HUF	2,40,642	3.39
8.	Yogesh Gole	1,14,000	1.60
9.	Chandrakant Gole HUF	92,442	1.30
10.	Rajendra Gole HUF	30,000	0.42
	Total	70,83,600	99.70

b) Our top ten shareholders 10 days prior filing of the Draft Prospectus are as follows:

Sr. No.	Names	Shares Held	% shares held
11.	Emil Pharmaceutical Industries Pvt. Ltd	21,98,400	30.94
12.	Jyoti Gole	13,24,020	18.64
13.	Shailaja Korday	11,89,410	16.74
14.	Emil Holdings Pvt. Ltd	6,75,000	9.50
15.	Tushar Korday	6,64,548	9.35
16.	Rajendra Gole	5,55,138	7.81
17.	Tushar Korday HUF	2,40,642	3.39
18.	Yogesh Gole	1,14,000	1.60

19.	Chandrakant Gole HUF	92,442	1.30
20.	Rajendra Gole HUF	30,000	0.42
Total		70,83,600	99.70

c) Shareholders of our Company two years prior to the date of filing of the Draft Prospectus:

Sr. No.	Names	Shares Held	% shares held
1.	Emil Pharmaceutical Industries Pvt. Ltd	21,98,400	30.94
2.	Jyoti Gole	13,24,020	18.64
3.	Shailaja Korday	11,89,410	16.74
4.	Emil Holdings Pvt. Ltd	6,75,000	9.50
5.	Tushar Korday	6,72,048	9.46
6.	Rajendra Gole	5,47,638	7.71
7.	Tushar Korday HUF	2,40,642	3.39
8.	Yogesh Gole	1,14,000	1.60
9.	Chandrakant Gole HUF	92,442	1.30
10.	Rajendra Gole HUF	30,000	0.42
Total		70,83,600	99.70

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

Sr. No.	Name of the Promoter	No. of Shares held	Average Cost of Acquisition per Share (In Rs.)*
1.	Tushar Korday	6,64,548	2.30
2.	Rajendra Gole	5,55,138	4.84
3.	Shailaja Korday	11,89,410	3.59
4.	Jyoti Gole	13,24,020	2.61

13. None of our Directors and Key Managerial Personnel hold any Equity Shares other than as set out below::

Sr. No.	Name	Designation	No. of Equity Shares held
1.	Tushar Korday	Chairman and Managing Director	6,64,548
2.	Rajendra Gole	Whole Time Director	5,55,138
3.	Yogesh Gole	Director	1,14,000

14. None of our Promoters, Promoter Group, Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of the Draft Prospectus.
15. Neither, we nor our Promoters, Directors, Selling Shareholder and the Lead Manager to this Issue have entered into any buyback and / or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.
16. As on the date of filing of the Draft Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person, any option to acquire our Equity Shares after this Initial Public Offer.
17. As on the date of the Draft Prospectus, the entire Issued Share Capital, Subscribed and Paid up Share Capital of our Company is fully paid up.
18. Our Company has not raised any bridge loan against the proceeds of the Issue.
19. Since the entire Issue price per share is being called up on application, all the successful applicants will be allotted fully paid-up shares.

20. As on the date of the Draft Prospectus, none of the shares held by our Promoters / Promoters Group are subject to any pledge.
21. The Lead Manager i.e. Asit C Mehta Investment Intermediates Ltd. and their associates do not hold any Equity Shares in our Company as on the date of filing of the Draft Prospectus.
22. We here by confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Draft Prospectus until the Equity Shares offered have been listed or application moneys refunded on account of failure of Issue.
23. Our Company does not presently intend or propose to alter its capital structure for a period of six months from the date of opening of the Issue, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise. This is except if we enter into acquisition or joint ventures or make investments, in which case we may consider raising additional capital to fund such activity or use Equity Shares as a currency for acquisition or participation in such joint ventures or investments
24. There have been no purchase or sell of Equity Shares by the Promoters and Promoter Group, and our Directors during a period of six months preceding the date on which this Draft Prospectus is filed with National Stock Exchange of India Limited.
25. None of our Equity Shares have been issued out of revaluation reserve created out of revaluation of assets.
26. An over-subscription to the extent of 10% of the total Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue. In such an event, the Equity Shares held by the Promoter is used for allotment and lock-in for three years shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
27. 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 LM and Designated Stock Exchange i.e. NSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
28. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, 2009 and its amendments from time to time.
29. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
30. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.
31. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
32. Our Company shall comply with such disclosure and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.
33. As on the date of the Draft Prospectus, Our Company has not issued any equity shares under any employee stock option scheme and we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme.
34. There are no Equity Shares against which depository receipts have been issued.

35. Other than the Equity Shares, there is no other class of securities issued by our Company as on date of filing of the Draft Prospectus.
36. We have 11 (Eleven) Shareholders as on the date of filing of the Draft Prospectus.
37. There are no safety net arrangements for this Public issue.
38. Our Promoters and Promoter Group will not participate in this Issue except for the sale of Equity Shares offered by them for sale in the Offer.
39. This Issue is being made through Fixed Price method.
40. Except as disclosed in the Draft Prospectus, our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation to the date of the Draft Prospectus.
41. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.
42. We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of registering the Prospectus with the RoC and the Offer Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed. The Selling Shareholders shall not transfer their Equity Shares during the period commencing from submission of the Draft Prospectus with Stock Exchange until the final approval on Basis of Allotment has been obtained from the Stock Exchange for the Equity Shares Allotted/ to be Allotted pursuant to the Offer except for transfer the Equity Shares held by them to demat escrow account as mutually agreed between our Company, Selling Shareholder and the Lead Manager.
43. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. Further, this Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time.
44. As per RBI regulations, OCB's are not allowed to participate in the Issue.
45. Allocation to all categories shall be made on a proportionate basis subject to valid applications received at or above the Issue Price. 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 NSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

OBJECTS OF THE ISSUE

The Offer comprises of Fresh Issue of up to 15,55,200 Equity Shares and Offer for Sale by the Selling Shareholder; i.e. Emil Pharmaceutical Industries Private Limited (“Emil”) of up to 7,35,600 Equity Shares, at an Offer price of Rs. [·]/- per Equity Share. Collectively, Offer for Sale & Fresh Issue of Equity Shares is referred to as the “Offer”.

Break up of funds raised:

Sr. No.	Particulars	Amount (Rs. in lakhs)	Percentage of Gross Issue
1.	Offer for Sale by Emil	[·]	[·]
2.	Fresh Issue	[·]	[·]
	Total	[·]	[·]

Offer for Sale

The proceeds of the Offer for Sale shall be received by the Selling Shareholder only and our Company will receive proceeds from the fresh issue of equity shares.

Fresh Issue of Equity Shares

We intend to utilize the net proceeds from the Issue towards the following objects:

1. Modernization and expansion of existing general division and setting up of veterinary division
2. Marketing of products and registration of our formulations
3. General corporate purposes

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

The main object clause of our Memorandum of Association and the objects incidental and ancillary to the main objects enables us to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum of Association.

Offer proceeds & Net proceeds

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

Particulars	Amount (Rs. in lakhs)
Gross proceeds of the Offer	[·]
Less: Proceeds from Offer for Sale	[·]
Less: Offer related expenses	[·]
Net Proceeds of the Fresh Issue	[·]

Requirement of Funds

Our funding requirements depend on a number of factors which may not be in the control of our management, changes in our financial condition and current commercial condition. Such factors may entail rescheduling and / or revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure.

The following table summarizes the requirement of funds of our Company.

Sr. No.	Particulars	Amount (Rs. in Lakhs)
1.	Modernization and expansion of existing general division and setting up of veterinary division	4,239.88
2.	Marketing of products and registration of our formulations	500.00
3.	Long term working capital requirements for enhanced sales post completion of modernization and expansion of our project	300.00

Sr. No.	Particulars	Amount (Rs. in Lakhs)
4.	General Corporate Purposes	[.]
	Total	[.]

Means for finance

(Amount in Rs. lakhs)

Particulars	Total Estimated Cost	Amount already deployed	Amount from this Offer	Funds required excluding funding from this Offer and identified internal accruals	75% of funds required excluding the net proceeds and identified internal accruals	Funds sanctioned by the bank*	Internal Accruals
Modernization and expansion of existing manufacturing facility general division and setting up of veterinary division	4,239.88	270.00	1200.00	2869.88	2,465.69	2,500.00	769.88
Marketing of products and registration of our formulations	500.00	0.00	100.00	400.00			
Long term working capital requirements for enhanced sales post completion of modernization and expansion of our project	200.00	0.00	0.00	200.00			
General Corporate Purposes	[·]	NA	[·]	NA	NA	NA	NA
Total	4,939.99	270.00	1,400.00	3,269.88	2,452.41	2,500.00	769.88

* Our Company has received a sanction letter dated January 29, 2018 from Kotak Mahindra Bank Limited for an amount of Rs. 1,000.00 lakhs for term loan, a sanction letter dated from Axis Bank Limited for Rs. 1,000.00 lakhs for term loan for expansion of and in principle approval letter from Citi Bank amounting to Rs. 1,500.00 lakhs.

**We shall avail only Rs. 2,500.00 lakhs from Kotak, Axis or Citi as may be feasible at the time of avail and placement of orders.

Note: Any increase in the cost of project or shortfall in the funding would be financed through internal accruals.

Accordingly we confirm that are in compliance with requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the net proceeds and existing identifiable internal accruals.

We require additional funds for estimated enhanced sales however; we shall fund the same by fund based bank limits.

The fund requirements mentioned above are based on the internal management estimates of our Company and have not been verified by the Lead Manager or appraised by any bank, financial institution or any other external agency. The fund requirements are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. The actual costs would depend upon the negotiated prices with the suppliers/contractors and may vary from the above estimates. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilizing our internal accruals or seeking debt financing.

1. Modernization and expansion of existing general division and setting up of veterinary division

We currently have a WHO GMP certified facility at MIDC, Tarapur for manufacture of pharmaceutical formulations in oral solid dosage forms – Tablets, Capsules and Powders. We plan to manufacture Betalactams, Cephalosporins and Hormones at our current facility. We propose to modernize and expand the facility by:

- a. Conversion of existing warehouse area into new tablet block (human healthcare) as per latest technical and regulatory requirements.
- b. Conversion of existing tablets into a warehouse area
- c. Utilization of second floor of building on Plot J – 76/PT into a veterinary tablets, bolus and powders zone with additional construction.

Objectives of modernization and expansion:

- a. To meet standards of MCC – South Africa, FDA – Ethiopia and FDA – Ukraine
- b. To obtain PIC/s certification for the facility
- c. To make the unit WHO-GENEVA compliant and obtain necessary certification to enable participation in WHO/UN tenders
- d. To meet increasing requirements of clients and direct exports
- e. To register our facility and products in target countries for direct exports
- f. To develop a separate veterinary division

Most of the existing equipment will be used after modernization; however there would be some addition in equipment for expansion of capacities will be procured. The principle objective of this plan is to meet standards of regulated markets.

Expansion in the facility will be to the extent of 50% will be achieved through bifurcation of human and veterinary sections and addition of selected equipment to remove bottlenecks in certain sections like tablet compression and packing.

Estimated cost of modernization and expansion of existing facility for human drugs:

The estimated cost of expansion of existing facility for human drugs is to be Rs. 3,250.00 lakhs. The total cost for setting up of such facility has been estimated by our company management in accordance with our business plan approved by our Board of Directors Pursuant to its meeting dated [·] and quotation received from third party suppliers/ contractors.

Further our Management, in accordance with the policies setup by the Board, will have flexibility in deploying the Net Proceeds of the Issue. The detailed breakdown of such estimated cost is set forth below:

Common expenditure (General and Veterinary Division)

a. Premium to MIDC (for Floor Space Index)

Maharashtra Industrial Development Corporation, Revised Development Control Regulations 2009 charges additional lease premium for construction of building for industrial use. Charges and lease premium would be Rs. 75.00 lakhs.

b. Laboratory Equipments

Quotation:

(Rs. in lakhs)

Equipment	Supplier	Rate	Quantity	Amount	Date of Quotation
HLPC with Lab solution user licenses and server licenses	Shimadzu (Asia Pacific) PTE Ltd	46.25	1	46.25	11.02.18
Computer server	NA	3.00	1	3.00	NA
Additional HPLC	Shimadzu (Asia Pacific) PTE Ltd	18.20	2	36.40	
Stability Ovens	D. Shah & Co.	5.00	2	10.00	
Miscellaneous Equipment	NA	NA	NA	25.00	NA
Total				120.65	

c. Research and Development Equipment

Quotation:

(Rs. in lakhs)

Equipment	Supplier	Rate	Quantity	Amount	Date of Quotation
Multimill Lab Model	Anchor Mark Private Limited	2.69	1	2.69	23.02.18
Rapid Mixer Granulator 15 Liters. Cap. GMP Model R&D LAB	Sams Techno Mech Private Limited	3.95	1	3.95	01.03.18
Double Cone Blender 15 Liters with 0.5 HP Motor Lab Model with interchangeable Octa Blender	Sams Techno Mech Private Limited	3.20	1	3.20	01.03.18
Octagonal Blender 5	Gaylord Pharma	1.45	1	1.45	01.03.18

Equipment	Supplier	Rate	Quantity	Amount	Date of Quotation
Liters	Systems				
Kalweka Equipment (R&D Model) Horizontal Drive without PLC HD and accessories	Karnavati Engineering Limited	5.74	1	5.74	23.02.18
FBD	Anchor Mark Private Limited	2.54	5 Kg	12.70	23.02.18
Total				29.73	

General Division:

(Rs. in lakhs)

Sr. No.	Particulars	Amount
a.	New RCC buildings and Shed, civil Work in existing warehouse for modifications, refurbishing and renovations	423.00
b.	Civil work for existing building	112.00
c.	Partitioning with sandwich panels & false ceilings	475.00
d.	Plant & Machinery	451.33
e.	HVAC System: Air Handling Units	629.77
f.	Electrification (including cables, distribution boards, switches, MCB's, etc to cover AHU, lighting & machinery)	345.70
g.	Mechanicals and Utilities	259.04
h.	Water Treatment Plant	150.00
i.	Miscellaneous Assets (lifts, computer systems, etc.)	125.00
j.	Capital Expenditure already incurred	270.00
k.	Project Consultancy Fees	39.00
l.	Contingency	166.00
	Total	3,445.84

Schedule of implementation

Activity	Commencement Date	Completion Date
Land acquisition	Already acquired	
Civil Work	Apr-18	Oct-17
Modular Partitioning, false Ceilings etc	Placing of Orders - May '18	Supply and Installation June '18 and October '18
HVAC	Placing of Orders - May '18	Supply and Installation June '18 and December '18
Plant and Machinery	Placement Of Orders - May to Aug '18	Supply in October - December '18. Installation and Validation in December '18 to January '19
Trial runs, Validations etc	Dec-18	January '19
Date of Commercial Operation	February '19 to March '19	

- a. *New RCC buildings and Shed, civil Work in existing building for modifications, refurbishing and renovations*

New RCC buildings
Quotation:

(Rs. in lakhs)

Hygiene Zone	Area	Amount	Contractor	Date of Quotation
CNC	1500	298.00	International Construction Co.	March 29, 2018
Uncontrolled				
Total	1,500	298.00		

New Shed
Quotation:

(Rs. in lakhs)

Hygiene Zone	Area	Amount	Contractor	Date of Quotation
Grade D	400	71.00	Pharmalutions	March 29, 2018
Total	400	71.00		

Existing Warehouse
Quotation:

(Rs. in lakhs)

Hygiene Zone	Area	Amount	Contractor	Date of Quotation
Grade D	1,700	54.00	Pharmalutions	March 29, 2018
CNC	1,000			
Uncontrolled	340			
Total	3,040	54.00		

b. Civil work for existing building

Contractor	Amount	Date of Quotation
Pharmalutions	112.00	March 29, 2018
	112.00	

c. Partitioning with sandwich panels & false ceilings

Quotation:

(Rs. in lakhs)

Contractor	Amount	Date of Quotation
Ajni Industries Private Limited	475.00	February 20, 2018
Total	475.00	

d. Plant & Machinery

Quotation:

Equipment	Supplier	Rate	Quantity	Amount	Date of Quotation
Revomax Plus Boiler-Rxd – 850	Parchem Enterprise	7.21	1	7.21	23.02.18
Pharmafill - 60 Capsule Filling Machine	Parchem Enterprise	33.25	1	33.25	23.02.18
Pharmafill - 150 Capsule Filling Machine	Anchor Mark Private Limited	53.00	1	53.00	23.02.18

Equipment	Supplier	Rate	Quantity	Amount	Date of Quotation
Rapid Mixer Granulator Rmg - 600 Lt Mitsubishi male with PLC And touch screen HMI	Anchor Mark Private Limited	26.50	1	26.50	23.02.18
Unik II EC – 51 D Tooling (Monolayer) with Rejection System and mountings and accessories	Karnavati Engineering Limited	56.20	1	56.20	23.02.18
Unik II EC – 61 B Tooling (Monolayer) with rejection System.	Karnavati Engineering Limited	56.20	1	56.20	23.02.18
Two Pass Ro-Edi System (Chemical Type)	Komal Industries	14.87	1	14.87	23.02.18
CIP System	Komal Industries	1.10	1	1.10	23.02.18
Purified Water Storage & Distribution System	Komal Industries	18.31	1	18.31	23.02.18
Vibro Sifter 36” Gmp Model Epvs-36.	Elicon Pharma	2.67	1	2.67	27.02.18
Multimill GMP Model	Elicon Pharma	2.07	1	2.07	27.02.18
Starch Paste Kettle Gmp Model 150lts Working Volume	Elicon Pharma	2.65	1	2.65	27.02.18
F.B.D. 120 Kg GMP Model With S.S.-316 Plus One Additional S.S Container	Elicon Pharma	13.80	1	13.80	27.02.18
Octagonal Blender Cap - 600 Ltrs. GMP Model and Mitsubishi PLC and Vacuum Transfer System	Elicon Pharma	8.30	1	8.30	27.02.18
Auto Coater 48” Cgmp Model WITH Scrubber	Elicon Pharma	33.20	1	33.20	27.02.18
Tablet Inspection Belt	Gaylord Pharma Systems	3.25	2	6.50	01.03.18
Powder Filling Machine	Packsol Industries	2.50	2	5.00	28.06.17
Basic EPI-3010 PDA Blister Packing Machine with one set of Change Part	Elmach Packages Private Limited	35.00	2	70.00	28.02.18
Metal Detactor	Karnavati Engineering	4.50	2	9.00	

Equipment	Supplier	Rate	Quantity	Amount	Date of Quotation
Visual Inspection Camera	Jekson Vision Private Limited	6.50	5	32.50	02.03.18
Total				451.33	

e. *HVAC System: Air Handling Units*

Equipment and Service	Supplier	Amount (Rs. in lakhs)	Date of Quotation
AHU's with low side work	Airmax (Gujarat) Private Limited	319.76	February 23, 2018
Dust collector works		12.42	
Dehumidifier with pre-cooling system works		94.40	
Highside & BMS (Pro-rata)		203.19	
Total		629.77	

f. *Electrification (including cables, distribution boards, switches, MCB's, etc to cover AHU, lighting & machinery)*

New RCC buildings

Quotation:

(Rs. in lakhs)

Hygiene Zone	Amount	Contractor	Date of Quotation
Grade D	61.60	Pharmalutions	March 29, 2018
CNC	16.10		
Uncontrolled	65.00		
Total	122.70		

Existing Warehouse

Quotation:

(Rs. in lakhs)

Hygiene Zone	Amount	Contractor	Date of Quotation
Grade D	136.0	Pharmalutions	March 29, 2018
CNC	70.00		
Uncontrolled	17.00		
Total	223.00		

g. *Mechanicals and Utilities*

New RCC buildings

Quotation:

(Rs. in lakhs)

Hygiene Zone	Area	Rate	Amount	Contractor	Date of Quotation
Grade D	770	0.06	46.20	Pharmalutions	29.03.18
CNC	230	0.04	9.20		
General Area	1,300	0.05	45.00		

Hygiene Zone	Area	Rate	Amount	Contractor	Date of Quotation
Total	2,300		100.40		

Existing Warehouse

Quotation:

(Rs. in lakhs)

Hygiene Zone	Area	Rate	Amount	Contractor	Date of Quotation
Grade D	1,700	0.06	102.00	Pharmalutions	29.03.18
CNC	1,000	0.04	40.00		
General Area	340	0.05	17.00		
Total	3,040		159.00		

h. Miscellaneous Assets (lifts, computer systems, etc.)

Quotation:

Equipment	Contractor	Quantity	Amount	Date of Quotation
Lifts (Material/ Passenger)	Pharmalutions	1	25.00	29.03.18
IBMS (BMS, EMS, Door Interlocking system, fire alarm system, access control system & central camera system)		1	50.00	
Central process monitoring system (21 CFR part 11 compliant)		1	50.00	
Total			125.00	

i. Capital Expenditure already incurred

We have incurred capital expenditure amounting to Rs. 270.00 lakhs in the current financial year.

j. Project Consultancy Fees

Project consultancy fees of Rs. 60.00 lakhs for the general division project.

k. Contingency

Contingency of around 272.00 lakhs has been estimated for this project.

Veterinary Division:

(Amount Rs. in lakhs)

Sr. No.	Particulars	Amount
a.	New service area, staircase and finishing work of existing area	30.68
b.	Renovation of warehouse, toilet block, etc.	17.70
c.	Partitioning with sandwich panels & false ceilings	84.51
d.	Plant & Machinery	93.83

Sr. No.	Particulars	Amount
e.	HVAC System: Air Handling Units	132.24
f.	Electrification (including cables, distribution boards, switches, MCB's, etc to cover AHU, lighting & machinery)	62.60
g.	Mechanicals and Utilities	49.20
h.	Miscellaneous Assets (lifts, computer systems, etc.)	65.00
i.	Project Consultancy Fees	6.00
j.	Contingency	27.00
	Total	568.76

Schedule of implementation

Activity	Commencement Date	Completion Date
Land acquisition	Already acquired	
Civil Work	Apr-18	Oct-17
Modular Partitioning, false Ceilings etc	Placing of Orders - May '18	Supply and Installation June '18 and October '18
HVAC	Placing of Orders - May '18	Supply and Installation June '18 and December '18
Plant and Machinery	Placement Of Orders - May to Aug '18	Supply in October - December '18. Installation and Validation in December '18 to January '19
Trial runs, Validations etc	Dec-18	January '19
Date of Commercial Operation	February '19 to March '19	

a. New service area, staircase and finishing work of existing area

New RCC buildings

Quotation:

(Rs. in lakhs)

Hygiene Zone	Area (sq m)	Amount	Contractor	Date of Quotation
Uncontrolled	120	17.00	Pharmalutions	March 29, 2018
Total	120	17.00		

Existing Warehouse

Quotation:

(Rs. in lakhs)

Hygiene Zone	Area	Amount	Contractor	Date of Quotation
Grade D	460	13.68	Pharmalutions	March 29, 2018
CNC	140			
Uncontrolled	200			
Total	800	13.68		

b. Renovation of warehouse, toilet block, etc.

(Rs. in lakhs)

Contractor	Amount	Date of Quotation
Pharmalutions	17.70	March 29, 2018
Total	17.70	

c. **Partitioning with sandwich panels & false ceilings**

Quotation:

(Rs. in lakhs)

Contractor	Amount	Date of Quotation
Ajni Industries Private Limited	84.51	February 20, 2018
Total	84.51	

d. **Plant and Machinery**

Quotation:

(Rs. in lakhs)

Equipment	Supplier	Rate	Quantity	Amount	Date of Quotation
Revomax Plus Boiler-Rxd – 850	Parchem Enterprise	7.21	1	7.21	27.12.16
Rapid Mixer Granulator Rmg - 600 Lt Mitsubishi male with PLC And touch screen HMI	Anchor Mark Private Limited	26.50	1	26.50	23.02.18
Multimill Production Mixer 3 HP Plus accessories	Anchor Mark Private Limited	3.58	1	3.58	23.02.18
Steam heating starch kettle	Anchor Mark Private Limited	1.25	1	1.25	23.02.18
Vibro Sifter 36" GMP Model EPVS-36.	Elicon Pharma	2.67	1	2.67	27.02.18
Multimill GMP Model	Elicon Pharma	2.07	1	2.07	27.02.18
F.B.D.120 Kg GMP Model with S.S.-316 and additional S.S Container	Elicon Pharma	13.80	1	13.80	27.02.18
Octagonal Blender 1,500 Ltrs. and Vaccum Transfer System	Gaylord Pharma Systems	17.05	1	17.05	01.03.18
Table Inspection Belt	Gaylord Pharma Systems	3.25	1	3.25	01.03.18
10 TR Strip Packing Machine GMP Model with Maximum sealing width 300 MM consists are one set of change parts, Batch Printing unit, 1mt. long Conveyor and S.S. Control panel	Sams Technomech Private Limited	4.95	1	4.95	01.03.18
Powder Filing Machine	Packsol Industries	2.50	2	5.00	26.06.17
Visual Inspection Camera System for	Jekson Vision Private Limited	6.50	1	6.50	02.03.18

Equipment	Supplier	Rate	Quantity	Amount	Date of Quotation
Blister Packing machines existing machines and new machines (BIS-1)					
Total				93.83	

e. *HVAC System: Air Handling Units*

Equipment and Service	Supplier	Amount (Rs. in lakhs)	Date of Quotation
AHU's with low side work	Airmax (Gujarat) Private Limited	84.83	February 23, 2018
Dust collector works		4.74	
Highside & BMS (Pro-rata)		42.67	
Total		132.24	

f. *Electrification (including cables, distribution boards, switches, MCB's, etc to cover AHU, lighting & machinery)*

New RCC buildings
Quotation:

(Rs. in lakhs)

Hygiene Zone	Area (sq m)	Amount	Contractor	Date of Quotation
Uncontrolled	120	6.00	Pharmalutions	March 29, 2018
Total	120	6.00		

Existing Warehouse
Quotation:

(Rs. in lakhs)

Hygiene Zone	Area (sq m)	Amount	Contractor	Date of Quotation
Grade D	460	36.80	Pharmalutions	March 29, 2018
CNC	140	9.80		
Uncontrolled	200	10.00		
Total	800	56.60		

g. *Mechanicals and Utilities*

New RCC buildings
Quotation:

(Rs. in lakhs)

Hygiene Zone	Area	Amount	Contractor	Date of Quotation
Uncontrolled	120	6.00	Pharmalutions	March 3, 2018
Total	120	6.00		

Existing Warehouse
Quotation:

(Rs. in lakhs)

Hygiene Zone	Area	Amount	Contractor	Date of Quotation
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Hygiene Zone	Area	Amount	Contractor	Date of Quotation
Grade D	460	27.60	Pharmalutions	March 3, 2018
CNC	140	5.60		
General Area	200	10.00		
Total	800	43.20		

h. Miscellaneous Assets (lifts, computer systems, etc.)

Quotation:

(Rs. in lakhs)

Equipment	Contractor	Rate	Quantity	Amount	Date of Quotation
Lifts (Material/ Passenger)	Pharmalutions	25.00	1	25.00	03.03.18
IBMS (BMS, EMS, Door Interlocking system, fire alarm system, access control system & central camera system)		20.00	1	20.00	
Central process monitoring system (21 CFR part 11 compliant)		20.00	1	20.00	
Total				65.00	

i. Project Consultancy Fees

Quote for Project consultancy fees of Rs. 6.00 lakhs for the veterinary by Pharmalutions.

j. Contingency

Contingency of around 27.00 lakhs has been estimated for this project.

2. Marketing of products and registration of our formulations

The Company will be registering its factory in various countries and will also be applying for various accreditations. In addition to that, Company plans to register different products in various countries which would have following expenses:

- (i) Fees for facility registration and inspections in multiple countries and various agencies
- (ii) Fees for registration of multiple products
- (iii) Expenses for preparing dossiers in CTD formats
- (iv) Expenses for carrying our bio-equivalence studies as per DCGI/ International Protocol

The expenditure budgeted in first two years under this head is Rs. 400.00 lakhs (Rs. 200.00 lakhs p.a.). Subsequently, the expenditure will continue which would be financed through internal accruals.

The Company is also proposing to set up its own marketing activity in Ghana which will involve setting up of own office, own depot and promotion of its products through samples, gifts, etc. The Company will

also have it on field staff. The Company has budgeted Rs. 50.00 lakhs per year for upcoming two financial years.

3. General Corporate Purposes

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

Issue Related Expenses

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. 170.00 Lakhs.

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

*As on [·], our Company has incurred Rs. [·] Lakhs towards Issue Expenses out of internal accruals.

SCSBs

Selling commission payable to the SCSBs on the portion for Retail Individual Bidders, which are directly procured by them, would be as follows:

Portion for Retail Individual Bidders [·]% of the Amount Allotted (plus applicable GST)*

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

No additional bidding charges shall be payable by our Company to the SCSBs on the applications directly procured by them.

SCSBs will be entitled to a processing fee of ₹ 10 (plus applicable GST), per valid ASBA Form

Syndicate, Registered Brokers, RTAs or CDPs from Retail Individual Bidders and Non-Institutional Bidders and submitted to the SCSBs.

Selling commission payable to registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non Institutional Applicants, would be [·]% on the Allotment Amount# on the Applications wherein shares are allotted.

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

SCSBs will be entitled to a processing fee of ₹ 10 (plus applicable GST), per valid ASBA Form, subject to total ASBA Processing Fees

Syndicate, Registered Brokers, RTAs or CDPs from Retail Individual Bidders and Non-Institutional Bidders and bid by them will be entitled for processing fee of ₹ 10 (plus applicable GST), per valid ASBA Form.

Bridge Financing

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

Appraisal by Appraising Agency

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

Interim use of Funds

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilisation of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

Monitoring Utilization of Funds

As the size of the Issue does not exceed Rs 10,000 Lakhs, in terms of Regulation 16 of the SEBI Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds. Pursuant to Regulation 32 of the Listing Regulations, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Issue Proceeds. Until such time as any part of the Issue Proceeds remains unutilized, our Company will disclose the utilization of the Issue Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Issue Proceeds have been utilized so far, and details of amounts out of the Issue Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Issue Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Issue Proceeds in a Fiscal Year, we will utilize such unutilized amount in the next financial year. Further, in accordance with Regulation 32(1) (a) of the Listing Regulations our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Issue Proceeds for the objects stated in this Draft Prospectus.

Variation in Objects

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

Other Confirmations

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

BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled “**Risk Factors**”, the details about our Company under the section titled “**Our Business**” and its financial statements under the section titled “**Financial Information of the Company**” beginning on page 21, page 131 and page 206 respectively of this Draft Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

The Issue Price has been determined by the Company and the Selling Shareholder in consultation with the Lead Manager on the basis of the key business strengths of our Company. The face value of the Equity Shares is Rs. 10/- each and the Issue Price is [·]/- which is [·] times of the face value.

QUALITATIVE FACTORS

- Technical know how
- Geographical location
- Recurring business from existing customers
- Competitive cost
- Strong regulatory team
- Focus on quality control
- Experienced management team
- Diversified product portfolio
- Global presence

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “**Our Business**” beginning on page 131 of this Draft Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please see the section entitled “**Financial Information of the Company**” on page 195 of this Draft Prospectus.

1. Basic and Diluted Earnings per Share (“EPS”), as adjusted for change in capital on Standalone basis:

Period	Basic & Diluted	Weights
FY 2014-15	3.42	1
FY 2015-16	4.51	2
FY 2016-17	7.95	3
Weighted Average	6.05	
For Ten months ended January 31, 2018*	8.34	

* annualized

Notes:

- i. The figures disclosed above are based on the Restated Financial Statements of the Company.
- ii. The face value of each Equity Share is Rs. 10.00.
- iii. Earnings per Share has been calculated in accordance with **Accounting Standard 20 – “Earnings per Share”** issued by the Institute of Chartered Accountants of India.
- iv. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.

2. Price Earning (P/E) Ratio in relation to the Issue Price of [·]:

S. No	Particulars	P/E
1	P/E ratio based on the Basic & Diluted EPS, as restated for FY	[·]

S. No	Particulars	P/E
	2016-17	
2	P/E ratio based on the Basic & Diluted EPS, as restated for period ended January 31, 2018	[.]

Peer Group P/ E*

S. No	Particulars	P/E
1	Highest	90.98
2	Lowest	13.32
	Industry Composite	41.45

*Source: www.bseindia.com / www.nseindia.com.

Industry composite comprises of Sakar Healthcare Limited, Makers Laboratories Limited and Vista Pharmaceuticals Limited

3. Return on Net worth (RoNW)*

S. No	Period	RONW (%)	Weights
1.	FY 2014-15	20.78%	1
2.	FY 2015-16	21.71%	2
3.	FY 2016-17	27.81%	3
	Weighted Average	24.60%	
	For Ten months ended January 31, 2018**	23.34%	

*Restated Profit after tax/Net Worth

**annualized

4. Minimum Return on Net Worth after Issue to maintain Pre-Issue EPS

- (a) Based on Basic and Diluted EPS, as restated of FY 2016-17 of Rs. [.] at the Issue Price of [.]:
- [●] on the restated financial statements.
- (b) Based on Weighted Average Basic and Diluted EPS, as adjusted of Rs. [.] at the Issue Price of [.]:
- [●] on the restated financial statements.

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

Sr. No.	As at	NAV
1.	March 31, 2015	16.46
2.	March 31, 2016	20.78
3.	March 31, 2017	28.59
4.	As on January 31, 2018*	35.74
5.	NAV after Issue	[.]
	Issue Price	[.]

*Based on weighted average number of shares.

6. Comparison of Accounting Ratios with Industry Peers

Sr. No.	Name of Company	Face Value	EPS	PE	RoNW	Book Value
1.	Sakar Healthcare Limited	10	3.08	20.05	9.52%	32.39
2.	Vista Pharmaceuticals Limited	2	0.46	90.98	7.13%	6.07
3.	Makers Laboratories Ltd	10	5.55	13.32	11.79%	60.73

*Source:

Based on March 31, 2017 restated financial statements

Basic Earnings per share (EPS), as adjusted

Price Earning (P/E) Ratio in relation to the Issue Price

Book Value has been calculated based on number of shares of the company.

Considering the nature of business of the company the peers are not strictly comparable, however some have been included for board comparison.

7. The face value of our shares is Rs. 10.00 per share and the Issue Price is of [●] per share is [●] times of the face value.
8. Our Company and selling shareholder in consultation with the Lead Manager believes that the Issue Price of [●] per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the risk factors and financials of the Company including important profitability and return ratios, as set out in the Auditors' Report in the offer Document to have more informed view about the investment.

Investors should read the above mentioned information along with section titled "***Our Business***", "***Risk Factors***" and "***Financial Information of the Company***" beginning on page 131, 21 and 195 respectively including important profitability and return ratios, as set out in "Annexure 30 – Statement of Mandatory Accounting Ratios" to the Financial Information of the Company on page 195 of this Draft Prospectus to have a more informed view.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors
Medibios Laboratories Limited
102, Shree Mangalam, 1st floor, Kulupwadi,
Borivali (E) Mumbai - 400066, Maharashtra, India

Dear Sirs,

Sub: Statement of possible special tax benefits ("the Statement") available to Medibios Laboratories Limited ("the Company") and its shareholders prepared in accordance with the requirements in Schedule VIII Clause (VII) (L) of the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2009, as amended ("the Regulations")

We hereby report that the enclosed annexure, prepared by the Management of the Company, states the possible special tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act') as amended by the Finance Act, 2017 (i.e. applicable to Financial Year 2016-17 relevant to Assessment Year 2018-19), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act. Hence, the ability of the Company or its shareholders to derive the special 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 choose to fulfill.

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. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever changing tax laws in India.

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

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

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

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 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.

The enclosed annexure is intended for your information and for inclusion in this Draft Prospectus / Prospectus in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our written consent.

For M/s. KPND & Co.,
Chartered Accountants
Firm Registration no.: 0138861W

Ketan Poojara
Partner
M No: 146343
Date: [·]

Annexure

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

Outlined below are the possible special tax benefits available to the Company and its shareholders under the current direct tax laws in India for the financial year 2016-17.

A. SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE "ACT")

The Company is entitled not entitled to any special tax benefits under the Act.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (THE "ACT")

The Shareholders of the Company are not entitled to any special tax benefits under the Act.

SECTION IV: ABOUT THE COMPANY AND THE INDUSTRY OUR INDUSTRY

The information in this section is derived from industry sources and government publications. None of the company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current of reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on this information.

INDIAN ECONOMY OUTLOOK

Economic growth is projected to strengthen to above 7%, gradually recovering from the transitory adverse impact of rolling out the Goods and Services Tax (GST) and measures to choke off the black economy, including demonetisation. In the longer run, the GST will boost corporate investment, productivity and growth by creating a single market and reducing the cost of capital equipment. Investment will be further supported by the plan to recapitalize public banks and by the new road plan.

Recent measures to digitize the economy and improve tax compliance should boost tax revenue in the medium term. They are accompanied by an increase in public pensions and wages, as well as debt write-offs in some states, resulting in a broadly neutral fiscal stance over the projection period. Given the high public debt-to-GDP ratio, increasing social infrastructure, such as health and education, will require raising more property and income tax revenue. With inflation expectations adjusting down, there could be room for further cuts in interest rates if inflation durably remains below 4%.

Non-performing loans have increased, largely reflecting recognition efforts, and are particularly high in public banks. Steps have been taken to clean up banks' balance sheets, giving creditors more control over the stressed entities. A new bankruptcy law is also being implemented. The large recapitalization plan for public banks should be accompanied by governance reform. External debt remains low and foreign exchange reserves have increased, reducing vulnerabilities.

Source: Website of OECD

<http://www.oecd.org/economy/india-economic-forecast-summary.htm>

GLOBAL ECONOMY

Global economic activity continues to firm up. Global output is estimated to have grown by 3.7 percent in 2017, which is 0.1 percentage points faster than projected in the fall and ½ percentage points higher than in 2016. The pickup in growth has been broad based, with notable upside surprises in Europe and Asia. Global growth forecasts for 2018 and 2019 have been revised upward by 0.2 percentage point to 3.9 percent. The revision reflects increased global growth momentum and the expected impact of the recently approved U.S. tax policy changes.

The U.S. tax policy changes are expected to stimulate activity, with the short-term impact in the United States mostly driven by the investment response to the corporate income tax cuts. The effect on U.S. growth is estimated to be positive through 2020, cumulating to 1.2 percent through that year, with a range of uncertainty around this central scenario. Due to the temporary nature of some of its provisions, the tax policy package is projected to lower growth for a few years from 2022 onwards. The effects of the package on output in the United States and its trading partners contribute about half of the cumulative revision to global growth over 2018–19.

Emerging and developing Asia will grow at around 6.5 percent over 2018–19, broadly the same pace as in 2017. The region continues to account for over half of world growth. Growth is expected to moderate

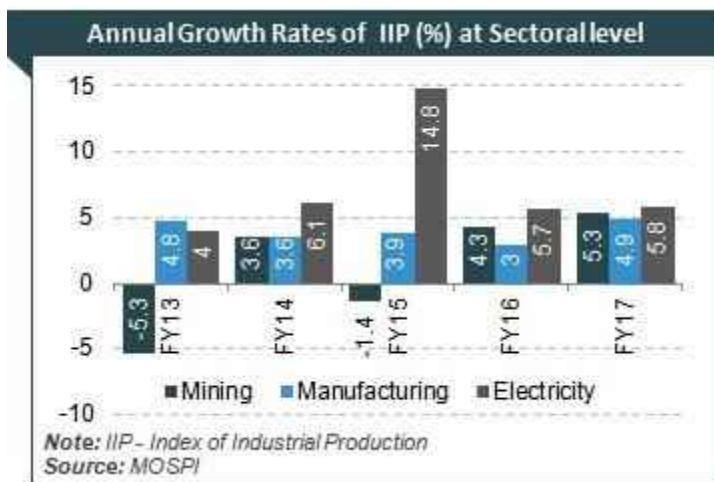
gradually in China (though with a slight upward revision to the forecast for 2018 and 2019 relative to the fall forecasts, reflecting stronger external demand), pick up in India, and remain broadly stable in the ASEAN-5 region.

Source: Website of International Monetary Fund:

<http://www.imf.org/en/Publications/WEO/Issues/2018/01/11/world-economic-outlook-update-january-2018>

INDIAN MANUFACTURING SECTOR

The Index of Industrial Production (IIP) is prepared by the Central Statistics Office to measure the activity happening in three industrial sectors namely Mining, Manufacturing, and Electricity. It is the benchmark index and serves as a proxy to gauge the growth of manufacturing in India since manufacturing alone has a weight of 77.63 per cent in the index. The manufacturing component of the IIP recorded 4.9 per cent growth in FY17 while 1.8 per cent growth in Q1 FY18.



Indian manufacturing sector's gross value added at basic price based on 2011-12 price series was US\$ 311.6 billion in 2016-17, as per the second advance estimates of Central Statistics Office. Manufacturing sector grew at a CAGR of 7.32 per cent between FY12 and FY17. The sector grew 7.7 per cent in FY17. The wholesale price index, in respect of manufactured goods grew 2.4 per cent between April 2016 and January 2017.



Source: Website of Indian Brand Equity Foundation:

<https://www.ibef.org/industry/manufacturing-sector-india.aspx>

INDIAN PHARMACEUTICAL MARKET

The Indian pharmaceuticals market is the third largest in terms of volume and thirteenth largest in terms of value, and it accounts for 20 per cent in the volume terms and 1.4 per cent in value terms of the Global Pharmaceutical Industry as per a report by Equity Master. 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 Immune Deficiency Syndrome) are supplied by Indian pharmaceutical firms.

The UN-backed Medicines Patent Pool has signed six sub-licenses with Aurobindo, Cipla, Desano, Emcure, Hetero Labs and Laurus Labs, allowing them to make generic anti-AIDS medicine Tenofovir Alafenamide (TAF) for 112 developing countries.

Market Size

Indian pharmaceutical sector is estimated to account for 3.1 – 3.6 per cent of the global pharmaceutical industry in value terms and 10 per cent in volume terms. It is expected to grow to US\$100 billion by 2025. The market is expected to grow to US\$ 55 billion by 2020, thereby emerging as the sixth largest pharmaceutical market globally by absolute size, as stated by Mr Arun Singh, Indian Ambassador to the US. Branded generics dominate the pharmaceuticals market, constituting nearly 80 per cent of the market share (in terms of revenues). The sector is expected to generate 58,000 additional job opportunities by the year 2025.

India's pharmaceutical exports stood at US\$ 16.8 billion in 2016-17 and are expected to grow by 30 per cent over the next three years to reach US\$ 20 billion by 2020, according to the Pharmaceuticals Export Promotion Council of India (PHARMEXCIL).

Indian companies received 305 Abbreviated New Drug Application (ANDA) approvals from the US Food and Drug Administration (USFDA) in 2017. The country accounts for around 30 per cent (by volume) and about 10 per cent (value) in the US\$ 70-80 billion US generics market.

India's biotechnology industry comprising bio-pharmaceuticals, bio-services, bio-agriculture, bio-industry and bioinformatics is expected to grow at an average growth rate of around 30 per cent a year and reach US\$ 100 billion by 2025. Biopharmaceutical, comprising vaccines, therapeutics and diagnostics, is the largest sub-sector contributing nearly 62 per cent of the total revenues at Rs. 12,600 Crore (US\$ 1.89 billion).

Investments

The Union Cabinet has given its nod for the amendment of the existing Foreign Direct Investment (FDI) policy in the pharmaceutical sector in order to allow FDI up to 100 per cent under the automatic route for manufacturing of medical devices subject to certain conditions.

The drugs and pharmaceuticals sector attracted cumulative FDI inflows worth US\$ 15.570 billion between April 2000 and September 2017, 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:

- The exports of Indian pharmaceutical industry to the US will get a boost, as branded drugs worth US\$ 55 billion will become off-patent during 2017-2019.
- Private equity and venture capital (PE-VC) investments in the pharmaceutical sector have grown at 38 per cent year-on-year between January-June 2017, due to major deals in this sector.

Government Initiatives

Some of the initiatives taken by the government to promote the pharmaceutical sector in India are as follows:

- The Government of India is planning to set up an electronic platform to regulate online pharmaceutical under a new policy, in order to stop any misuse due to easy availability.
- The Government of India unveiled 'Pharmaceutical 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.
- 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.

Road Ahead

The Indian pharmaceutical market size is expected to grow to US\$ 100 billion by 2025, driven by increasing consumer spending, rapid urbanization, and raising healthcare insurance among others. Pharmaceutical sector's revenues are expected to grow by 9 per cent year-on-year through fiscal 2020.

Going forward, better growth in domestic sales would also depend on the ability of companies to align their product portfolio towards chronic therapies for diseases such as such as cardiovascular, anti-diabetes, anti-depressants and anti-cancers that are on the rise.

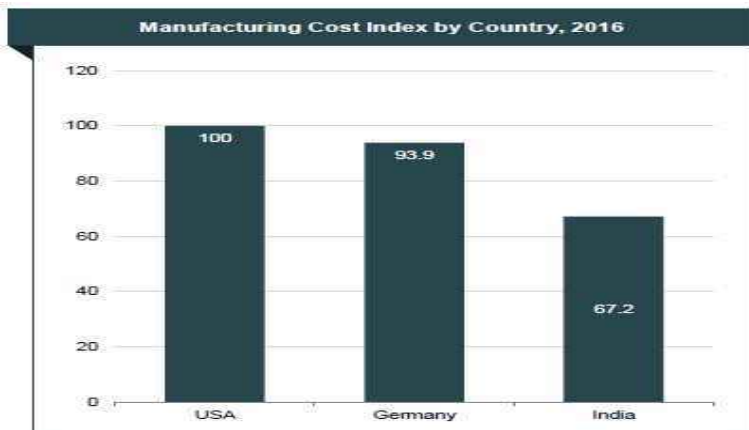
The Indian government has taken many steps to reduce costs and bring down healthcare expenses. Speedy introduction of generic drugs into the market has remained in focus and is expected to benefit the Indian pharmaceutical companies. In addition, the thrust on rural health programmes, lifesaving drugs and preventive vaccines also augurs well for the pharmaceutical companies.

Source: Website of Indian Brand Equity Foundation

<https://www.ibef.org/industry/pharmaceutical-india.aspx>

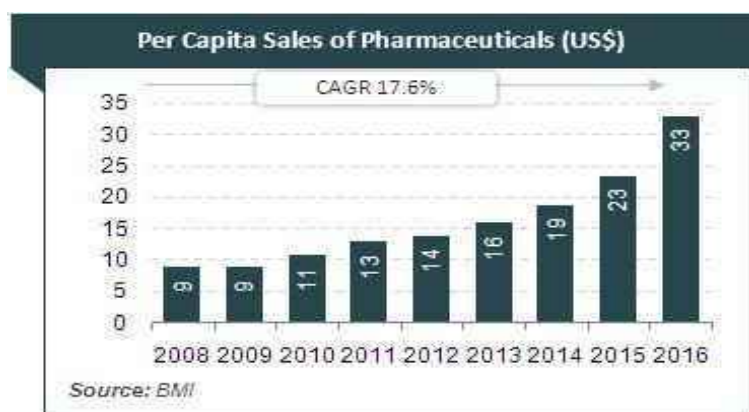
Cost efficiency and competency continue to be India's forte

- India's cost of production is nearly 33 per cent lower than that of the US
 - Labour costs are 50–55 per cent cheaper than in Western countries
 - The cost of setting up a production plant in India is 40 per cent lower than in Western countries
- Cost-efficiency continues to create opportunities for Indian companies in emerging markets and Africa
- India has a skilled workforce as well as high managerial and technical competence in comparison to its peers in Asia
- India has the 2nd largest number of USFDA-approved manufacturing plants outside the US
- India has 2,633 FDA-approved drug products
- India has over 546 USFDA-approved company sites, the highest number outside the US



Per Capita Sales

- Growing per capita sales of pharmaceuticals in India offers ample opportunities for players in this market
- Per capita sales of pharmaceuticals expanded at a CAGR of 17.6 per cent to US\$ 33 in 2016
- Economic prosperity would improve affordability for generic drugs in the market & improve per capita sales of pharmaceuticals in India

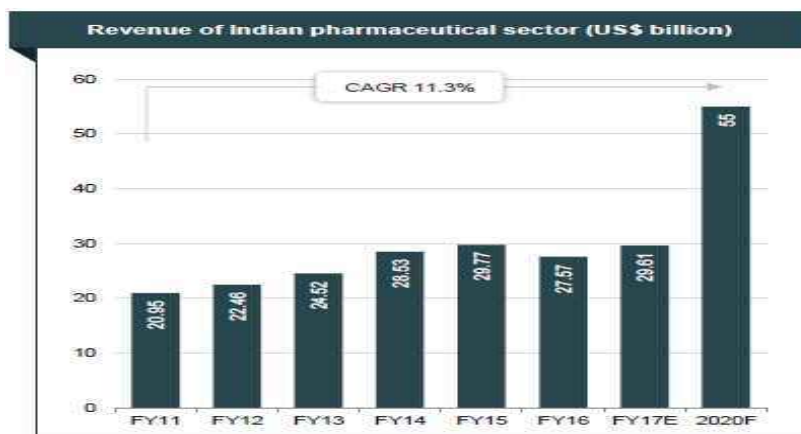


Source: Website of Indian Brand Equity Foundation

<https://www.ibef.org/industry/pharmaceutical-india/showcase> and
Indian pharmaceutical sector revenues trending North

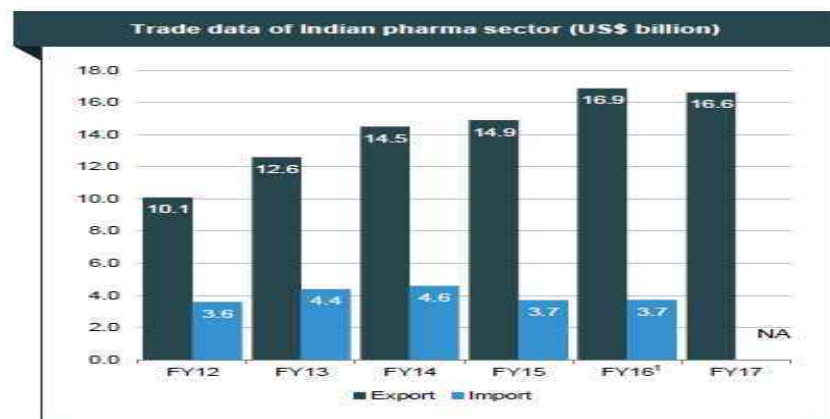
- The Indian pharmaceuticals market witnessed growth at a CAGR of 5.64 per cent, during FY11-16, with the market increasing from US\$ 20.95 billion in FY11 to US\$ 27.57 billion in FY16. The industry's revenues are estimated to have grown by 7.4 per cent in FY17.
- By 2020, India is likely to be among the top three pharmaceutical markets by incremental growth and 6th largest market globally in absolute size.
- India's cost of production is significantly lower than that 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 coupled 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.

- Medicine sales in India increased 8.1 per cent year-on-year in November 2017.



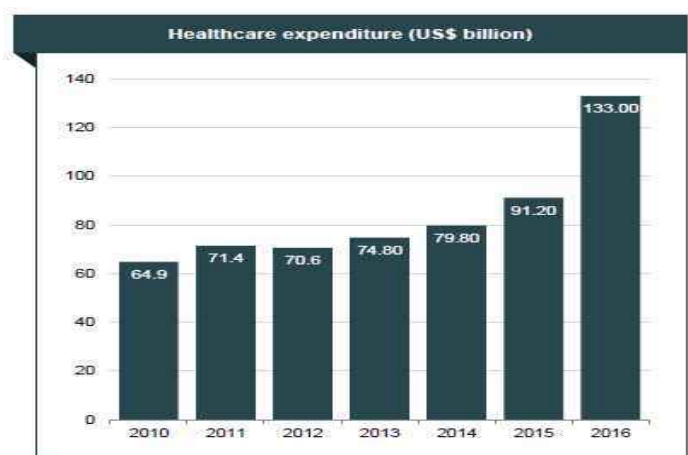
Pharmaceutical export to continue witnessing high growth

- Indian pharmaceutical companies are capitalizing on export opportunities in regulated and semi-regulated markets
- In FY17, India exported pharmaceutical products worth US\$ 16.8 billion, with the number expected to reach US\$ 40 billion by 2020. During April – September 2017, India exported pharmaceutical products worth Rs 411.3 billion (US\$ 6.4 billion). During April – October 2017, India exported pharmaceutical products worth Rs. 478.3 billion (US\$ 7.4 billion).
- Indian drugs are exported to more than 200 countries in the world, with the US as the key market
- India is the world’s largest provider of generic medicines; the country’s generic drugs account for 20 per cent of global generic drug exports (in terms of volumes)
- Around 40.6 per cent of India’s US\$ 16.8 billion pharmaceutical exports in 2016-17 were to the American continent, followed by a 19.7 per cent to Europe, 19.1 per cent to Africa and 18.8 per cent to Asian countries.



Anticipated steep growth in expenditure on pharmaceuticals

- During 2010-16, total healthcare spending is estimated to have increased at a CAGR of 12.70 per cent to US\$ 133 billion in 2016.
- In May 2017, Hyderabad-based pharmaceutical firm Hetero Drugs Ltd. launched a velpatasvir and sofosbuvir combination drug for the treatment of Hepatitis-C in India, after getting full compliance from the regulatory authorities.



Drivers of Indian pharmaceutical sector

Supply-side drivers

- Cost advantage
- Skilled manpower
- India a major manufacturing hub for generics
- India accounts for 22 per cent of overall USFDA approved plants
- Increasing penetration of chemists

Demand-side driver

- Increasing fatal diseases
- Accessibility of drugs to greatly improve
- Increasing penetration of health insurance
- Growing number of stress-related diseases due to change in lifestyle
- Better diagnostic facilities

Policy support

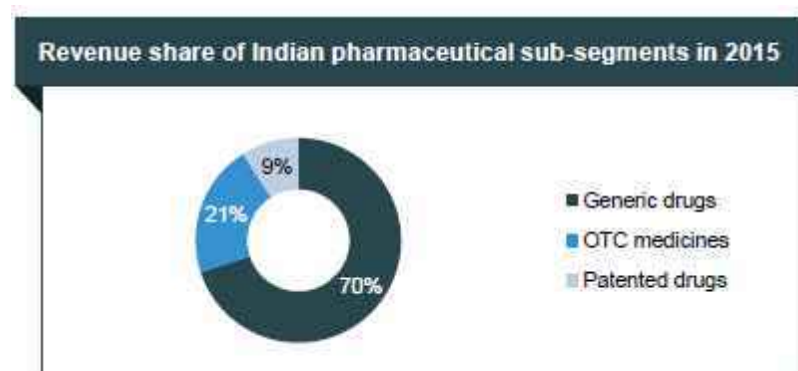
- National Health Policy 2015, which focuses on increasing public expenditure on healthcare segment
- Reduction in approval time for new facilities
- Plans to set up new pharmaceutical education and research institutes

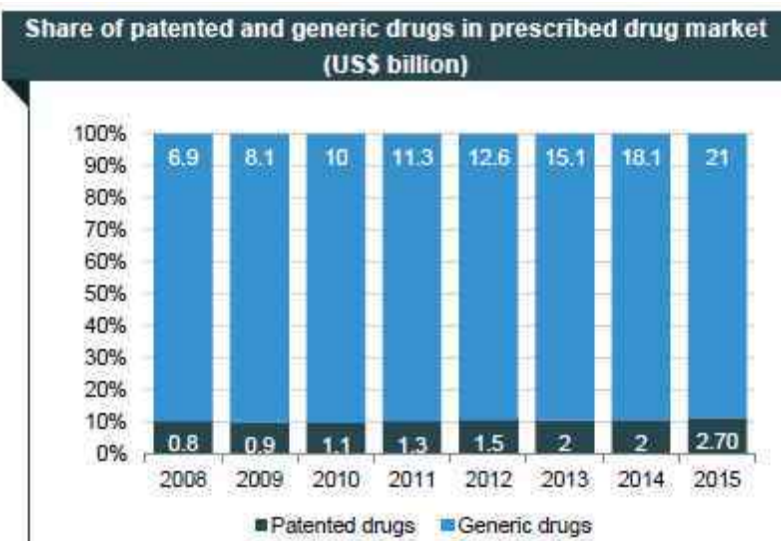
- Exemptions to drugs manufactured through indigenous R&D from price control under NPPP-2012

GENERIC DRUGS AND PHARMACEUTICALS INDUSTRY

Generic drugs form the largest segment of Indian Pharmaceutical Market

- With 70 per cent of market share (in terms of revenues), generic drugs form the largest segment of the Indian pharmaceutical sector
- India supplies 20 per cent of global generic medicines market exports, in terms of volume, making the country the largest provider of generic medicines globally and expected to expand even further in coming years
- Over the Counter (OTC) medicines and patented drugs constitute 21 per cent and 9 per cent, respectively, of total market revenues of US\$ 20 billion
- Indian pharmaceutical drug manufacturer Aurobindo Pharmaceutical has received the USFDA approval to manufacture oral suspension, which is used for controlling serum phosphorus in patients with chronic kidney disease on dialysis. This drug is a therapeutic equivalent generic version of Genzyme's Renvela oral suspension.
- The share of generic drugs is expected to continue increasing; domestic generic drug market is expected to reach US\$ 27.9 billion in 2020
- Due to their competence in generic drugs, growth in this market offers a great opportunity for Indian firms
- Generic drug market is expected to grow in the next few years, with many drugs going off-patent in the US and other countries
- Domestic generic drug market has reached US\$ 26.1 billion in 2016





INDIAN PHARMACEUTICAL INDUSTRY - A GLOBAL INDUSTRY

The Indian Pharmaceutical Industry has witnessed a robust growth over the past few years moving on from a turnover of approx. US \$ 1 billion in 1990 to over US \$30 billion in 2015 of which the export turnover is approximately US \$ 15 billion. The country now ranks 3rd worldwide by volume of production and 14th by value, thereby accounting for around 10% of world's production by volume and 1.5% by value. Globally, it ranks 4th in terms of generic production and 17th in terms of export value of bulk actives and dosage forms. Indian exports are destined to more than 200 countries around the globe including highly regulated markets of US, West Europe, Japan and Australia. It has shown tremendous progress in terms of infrastructure development, technology base creation and a wide range of products. It has established its presence and determination to flourish in the changing environment.

The industry now produces bulk drugs belonging to all major therapeutic groups requiring complicated manufacturing technologies. Formulations in various dosage forms are being produced in GMP compliant facilities. Strong scientific and technical manpower and pioneering work done in process development have made this possible.

An assessment of the Indian Pharmaceutical Industry's strength reveals the following key features:

- Strong export market- India exported drugs worth US\$ 15 billion to more than 200 countries including highly regulated markets in the US, Europe, Japan and Australia. Large Indian pharmaceutical companies have emerged as among the most competitive in the evolving generic space in North America and have created an unmatched platform in this space. Indian companies are also making their presence felt in the emerging markets around the world, particularly with a strong portfolio in anti-infective and antiretroviral.
- Large domestic pharmaceutical companies have continued to grow, assuming leadership position in many therapies and segments in the Indian market as well as creating a strong international exports back-bone.
- Competitive market with the emergence of a number of second tier Indian companies with new and innovative business modules.
- Indian players have also developed expertise in significant biologics capabilities.
- Biologic portfolios while still nascent in India are being built with an eye on the future.
- Multinational companies have continued to invest significantly in India and are making their presence felt across most segments of the Indian pharmaceutical market. Companies have also begun to invest

in increasing their presence in tier II cities and rural areas and making medical care more accessible to a large section of the Indian population.

- Low cost of production.
- Low R&D costs.
- Innovative Scientific manpower.
- Excellent and world-class national laboratories specializing in process development and development of cost effective technologies.
- Increasing balance of trade in Pharmaceutical sector.
- An efficient and cost effective source for procuring generic drugs, especially the drugs going off patent in the next few years.
- An excellent centre for clinical trials in view of the diversity in population.

Experience & Expertise

India is the only country with largest number of US-FDA compliant plants (more than 262 including APIs) outside of USA and has nearly 1400 WHO-GMP approved Pharmaceutical Plants, 253 European Directorate of Quality Medicines (EDQM) approved plants with modern state of the art Technology.

Thus Indian pharmaceutical companies have a wide variety of experience in manufacturing as per global standards. Through intensive competition in the Indian market, Indian companies are experienced in the manufacturing of a variety of formulations that makes them efficient and competitive in their operations.

The Indian pharmaceutical market is mature with decades of experience in generics manufacturing, catering to the needs of the general population. These companies have the experience and know-how to produce quality drugs in an efficient, high-quality and cost-effective manner without compromising on any aspect. There are many companies manufacturing drugs for oncology, AIDS and other complex therapies.

Low cost of manufacturing

India is capable of manufacturing low-cost generic alternatives due to a number of economic factors favoring the industry. Some of these include the competitive land rates, the cheap labour available, low resource costs like water, electricity etc., and lower cost of production machinery. Importantly, the various drugs like, Intermediates, APIs and Formulation companies are seamlessly integrated while following international regulations of safety.

Research & Development

The Government has taken several policy initiatives for strengthening Research & Development in Pharmaceuticals sector such as fiscal incentives to R&D units sector and streamlining of procedures concerning development of new drug molecules, clinical research and new drug delivery systems leading to new R&D set-ups with excellent infrastructure in the field of original drug discovery.

India has a large branded generics market which enables most companies to launch their version of a generic drug in the market place. Research and Development is an important aspect for development of generics that match the quality and cost targets.

Highly educated, specialized scientists

India's rich human capital is the strongest asset for the Indian Pharmaceuticals Industry which is a knowledge-led industry. Various studies show that the scientific talent pool of Indians is the second largest English-speaking group worldwide, after the US. This enables easier access to qualifications that handle the basic work in a plant or an R&D set-up in India. National Institute of Pharmaceutical Education and Research (NIPER) at Mohali is a premier institute in the field of Pharmaceuticals. The institute is a member of Association of Commonwealth Universities. NIPER Mohali is offering Masters level programs and PhD programs in 15 streams. The laboratories here are fully equipped with modern facilities and the available facilities are of international level and standards. Further, six new National

Institutes of Pharmaceutical Education and Research (NIPER) were opened in 2007. Recently, three new NIPERs have been proposed in the states of Maharashtra, Rajasthan and Chattisgarh.

Source: Website of Department of Pharmaceuticals

<http://pharmaceuticals.gov.in/pharmaceutical-industry-promotion>

GLOBAL PHARMACEUTICAL MARKET

Global Pharmaceutical market size in the calendar year 2016 is estimated at \$1100 billion as per IMS with a very marginal growth rate of 3%. India's total exports of Pharmaceuticals (APIs, Generics and Alternative system of medicine) during 2016-17 were \$16.84 billion with a negative growth of 0.43%. India's exports in INR terms have recorded a growth of 2.03% and were valued at Rs. 112,915 Crore during FY-17.

Global generic market is estimated to be of size \$ 294 billion. India, a predominant player in Global Generic market has clocked \$ 12.7 billion of Exports out of a total \$ 294 generic market with a growth of 0.42 % during the year 2016-17.

India has a market share of almost 42% of Generic market size of Africa and Middle East put together. Region of North America has contributed over 34% to India's pharmaceutical exports and has grown by a 1.25% in FY- 17.

USA is the largest exporting partner of India by country and it has been so, for the last decade. During 2016-17 Exports to USA has grown over 1% and has contributed over 33% to the total. Around 55% India's exports are to highly regulated markets.

India's exports of Pharmaceuticals-Top 25 Destination countries \$ mn							
Rank	Country	2015-16	2016-17	Change% of FY-17	Contbn% of FY-17	Cum Contbn%	Change in Value
1	U S A	5514	5580	1.20	33.14	33.14	66
2	U K	564	551	-2.24	3.27	36.41	-13
3	SOUTH AFRICA	605	486	-19.68	2.89	39.30	-119
4	NIGERIA	437	399	-8.71	2.37	41.66	-38
5	RUSSIA	374	384	2.76	2.28	43.94	10
6	BRAZIL	326	338	3.72	2.01	45.95	12
7	GERMANY	348	335	-3.66	1.99	47.94	-13
8	KENYA	332	326	-1.96	1.94	49.88	-7
9	AUSTRALIA	233	238	2.06	1.41	51.29	5
10	BELGIUM	192	232	20.69	1.38	52.66	40
11	VIETNAM SOC REP	221	228	2.91	1.35	54.02	6
12	SRI LANKA DSR	205	218	6.21	1.29	55.31	13
13	FRANCE	232	210	-9.41	1.25	56.56	-22
14	PHILIPPINES	193	209	8.32	1.24	57.80	16
15	NEPAL	177	207	17.12	1.23	59.03	30
16	CANADA	201	207	2.68	1.23	60.25	5
17	NETHERLAND	244	203	-16.71	1.21	61.46	-41
18	TANZANIA REP	179	196	9.82	1.17	62.63	18
19	MYANMAR	154	187	21.32	1.11	63.74	33
20	JAPAN	144	168	17.09	1.00	64.74	25
21	TURKEY	160	167	4.28	0.99	65.72	7

22	IRAN	180	166	-8.22	0.98	66.71	-15
23	MEXICO	160	158	-1.61	0.94	67.64	-3
24	BANGLADESH PR	136	154	12.88	0.91	68.56	18
25	UGANDA	169	154	-9.20	0.91	69.47	-16
Total of the top 25		11680	11699	0.16	69.47	69.47	19
Grand total		16912	16840	-0.43	100.00		-72

India's Pharmaceutical industry has filed the highest number of DMFS with USFDA and by the end of year 2016, number of filings stands at 3950. India's ANDAS totaling over 4000 by June 2017 covers all ATCs.

Source: Website of Pharmaceutical Promotion Council of India – Annual Report 2016-17:

<http://pharmexcil.com/annual-report>

OUR BUSINESS

Business Overview

Medibios Laboratories Limited was incorporated in the year 1995 at Mumbai with an object to manufacture and market pharmaceutical products in domestic and international markets. Later, the Company took over a partnership firm M/s. Medibios Laboratories in the same year. Our promoters took over the Company from erstwhile promoters in the year 1997. In 2018, we resolved and converted our Company to a Public Limited Company.

We are located in Mumbai and have a manufacturing unit situated at MIDC, Tarapur Industrial Area, Maharashtra. Our manufacturing facilities are accredited with World Health Organization – Good Manufacturing Practice Certification, Food and Drug Administration Philippines, Cosmetic Devices and Drug Authority of Sri Lanka, National Drug Authority Uganda, Food and Drug Administration Myanmar, DPML (*Direction De La Pharmacie Du Medicament Et Des Laboratoires*) – Ivory Coast, National Agency for Food and Drug Administration and Control - Nigeria and Food and Drug Administration - Ghana.

Our products are in dosage forms of Tablets, Capsules and Powders. Our product portfolio includes more than 200 formulations across 20 therapeutic categories which are manufactured at our facilities. Our products are registered with ISP (*Instituto de Salud Publica*) Chile, Uruguay, Suriname, Venezuela, Costa Rica, Cosmetic Devices and Drug Authority of Sri Lanka, Drug Regulation Services Botswana, Food DA Vietnam, Georgia, Azerbaijan, Hong Kong, etc.

We have entered into an agreement with a Sri Lanka based Company for marketing of our brands in Sri Lanka, while we have invested in an Associate Company “Medvin Pharma Limited” in Uganda which is engaged in the wholesale and retail sale of medicines in Uganda and surrounding countries. We have recently set up a wholly owned subsidiary in Ghana “Medibios Laboratories Ghana Private Limited” for marketing and distribution of our products there.

Our business is based on three core models (i) Contract Manufacturing, (ii) Marketing Own Brands and (iii) Loan License. We majorly carry our business on contract manufacturing for multinational companies. However, recently we have shifted our focus to Direct Manufacturing and Direct Exports to overseas clients, and we propose to expand our business using the same model. In addition, Medibios now as part of its long-term strategy, has started focusing on marketing own brands through dedicated Medibios Marketing Team appointed under its own wholly owned subsidiary or in partnership with importers/marketing agents in respective countries. This model will help Medibios build brands which will provide sustained revenue, growth and improved margins compared to the contract manufacturing and loan license business model.

We currently export our products to over 20 countries which include countries in South East Asia, Africa, and Central and Latin America. We plan to upgrade our manufacturing facility and get it approved by PIC/s (Pharmaceutical Inspection Convention and Pharmaceutical Inspection Co-operation Scheme) member countries, European Union – Good Manufacturing Practices and World Health Organization - Geneva by mid 2019 and increase our basket of Bioequivalent Generic Products for the regulated markets.

We are suppliers of pharmaceutical products to Government of Sri Lanka for over eight years. In addition our partners overseas have been procuring products from us and supplying to the Government in several other countries including Malaysia, Chile, Philippines and Uruguay.

We are benefited from the experience of our promoters and management who are actively involved in our operations, marketing, exports and customer relationship and have been instrumental in implementing our growth strategies. Tushar Korday, our Managing Director has more than three decades of experience in

pharmaceutical industry while, Rajendra Gole, our Wholetime Director has experience of four decades. Our management is actively supported by other promoters, Shailaja Korday and Jyoti Gole.

Financial Snapshot:

(Rs. in lakhs)

Particulars	10MFY18	FY17	FY16	FY15
Gross Revenue from Operations	5,286.11	5,281.20	4,204.07	3,941.01
Net Revenue from Operations	4,762.80	4,956.67	4,006.28	3,714.71
Revenue from Contract Manufacturing	3,765.10	2,960.38	2,202.08	2,303.16
Revenue from Loan Licensing	1,087.63	1,581.17	1,335.45	1,059.88
Revenue from Marketing own Products	410.72	725.34	634.24	560.88
Earnings before Interest and Tax	760.06	1002.15	642.83	464.29
Earnings before Tax	700.70	861.01	503.20	363.31
Earnings after Tax	493.85	564.89	320.55	243.02

Business Model

- (i) Contract Manufacturing
 - Domestic Customers/ Clients
 - Merchant Exporters
 - Overseas Customers/ Clients
- (ii) Loan License
- (iii) Marketing own Products (Branded and Generic)
 - Exports to importer of respective country with marketing partnership
 - Exports to our associate/subsidiary companies overseas for marketing

(i) Contract Manufacturing

Under contract manufacturing, we manufacture goods for domestic customers, merchant exporters and overseas customers.

Domestic Customers/ Clients

Under this business model, we receive orders from multinational and large Indian Companies and the products manufactured are then supplied to the desired destination by using third party transportation. We have a history of repeated orders and have a long standing relationship with most of the clients and have been associated with them for many years. We purchase all raw material and packaging materials and the finished products are sold to them at agreed transfer prices.

Merchant Exporters

Under this business model, we receive orders from merchant exporters with desired formulations. All dossiers and samples for registration purposes in respective countries are provided by us. After registration, the products manufactured are supplied to merchant exporters who in turn export products to their respective clients. We purchase all raw materials and packaging materials and sell the finished products to them at agreed transfer prices

Overseas Customers/ Clients

Under this business model, all dossiers and samples are provided by us to our overseas clients for registration purposes in respective countries. Post registration, we procure orders from local distributors/ marketing companies from the respective countries. We have a history of repeated orders and have a long standing relationship with few of them and have been associated with them for many years. We purchase all raw and packaging materials and export the finished products at agreed transfer prices. This particular segment is our focus for coming years.

(ii) Loan License

Under this business model, we receive orders from large companies and the products manufactured are supplied for agreed conversion charges (labour charges). The clients provide all raw materials and packaging materials.

(iii) Marketing own Products (Branded and Generic)

Export to the importer of the respective country with a marketing partnership

Under this business model, all dossiers and samples are provided by us for registration purposes in respective countries. Medibios is the owner of the Trademark and Product Registration Certificate and pays towards all registration expenses. We enter into a marketing partnership with local companies and promote the products under our brand names. All promotional inputs like leave behind literature for product detailing and information, gifts, samples, etc., are provided by Medibios. The local partner in respective country facilitates in product registration and is responsible for managing the sales team, implementation of agreed marketing plans, and distribution of products, collection and reporting as per agreed terms. We export the product at suitable transfer prices including our marketing overheads. Currently we have an agreement with Emer Chemie in Sri Lanka for marketing of our products.

Export to our associate/subsidiary companies overseas for marketing

Under this business model, Medibios does registration through its subsidiary office or JV partner office in the respective country. Medibios India provides Medibios India bears all dossiers and samples, as well as all costs towards registration. The owner of Product Registration Certificate is Medibios India. We enter into a joint venture with the local company or incorporate wholly owned subsidiary. Currently, we have a joint venture in Uganda under the name of "Medvin Pharma Limited". In Ghana, we have recently incorporated a wholly owned subsidiary under the name of "Medibios Laboratories Ghana Private Limited". In Ghana, entire importation, distribution, promotion and sales will be done by Medibios Ghana team under our brand names. The entire marketing team in Ghana will be employees of Medibios Laboratories Ghana Private Limited. All promotional inputs like leave behind literature for product detailing and information, gifts, samples, etc., are provided by Medibios India. We export the product at suitable transfer prices to cover our marketing overheads.

Revenue bifurcation:

(Rs. in lakhs)

Particulars	10MFY18	FY17	FY16	FY15	FY14	FY13
Contract Manufacturing	3,765.10	2,960.38	2,202.08	2,303.16	2,509.24	2,562.49
Loan Licensing	1,087.63	1,581.17	1,335.45	1,059.88	804.34	650.96
Marketing under own brands	410.72	725.34	634.24	560.88	502.81	184.96
Gross Revenue from operations	5,263.46	5,266.89	4,171.77	3,923.92	3,816.39	3,398.41

Our Competitive Strengths

We believe that the following are our primary competitive strengths:

Technical know how

We benefit from the technical know-how of our management and production team who are actively involved in our operations and have been instrumental in implementing our growth strategies. Our team has significant experience and expertise in the pharmaceutical industry across the entire business chain. Tushar Korday, our Promoter and Managing Director is a chemical engineer by qualification from Indian Institute of Technology, Mumbai, and a Post Graduate Diploma in Management studies from Indian Institute of Management, Ahmedabad. Rajendra Gole, our Promoter and Whole-time Director is a Pharmacist by qualification from Mumbai University. Besides them, we have a professional team of bachelors in pharmacy and masters of pharmacy. Over the last twenty years, we have built up technical

know-how for manufacturing a strong portfolio of over 200 products.

Geographical location

Our manufacturing facility is situated at MIDC, Tarapur Industrial Area (“MIDC TIA”) which lies around 100 kilometers north of Central Mumbai. MIDC TIA falls at a detour of 20 kilometers to NH 48 i.e. Mumbai – Ahmedabad Highway and is thus well connected to major cities in Gujarat and Maharashtra. Nearest airports being Mumbai domestic and international airport lying around 100 kilometers away from our facility provides us easy and hassle free access to the overseas client. While for domestic customers, we rely on road and rail transportation.

Recurring business from existing customers

We manufacture products on contract manufacturing basis for various multinational and large Indian Companies and have a business relationship with many, many of them for more than five years. More than 70% of our total revenue was generated by sale to these companies on contract manufacturing basis respectively for ten months ended on January 31, 2018. We believe, our business relationship with them based on our core qualities like technical competence, timely delivery, competitive pricing and desired quality provides us with an advantage over other players in the market.

Competitive cost

We believe that our financials reflect our cost structure and operational efficiency. We provide quality products to our customers / clients at competitive prices. Competitive cost provides us with an added advantage over our competitors, and hence we are preferred by our clients over other manufacturers. Earlier, due to tax haven zones created by Union Government in areas such as Baddi, Himachal Pradesh, we were less competitive in the domestic market for past few years. However, with the onset of Goods and Services Tax (GST) in 2017-18, there is now a level playing field, which is expected to boost our domestic business.

Strong regulatory team

The pharmaceutical industry is highly regulated wherein we are required to file dossiers for registration of our formulations/ products in overseas market. Filing of dossiers in the international market is a tedious, time consuming and costly process wherein we are required to submit (physical and / or soft copies of) comprehensive documents and reports along with formulations' samples and registration fees. Currently, we have more than 80 registered formulations in various countries. We believe, we have a strong team of professionals to compile and file dossiers in overseas markets with least failures in registration. We have successfully carried out Bio-Equivalent studies in respect of our products. Such registrations have been hassle free and quick for us in recent times because of data back-up, strong documentation, experience and expertise of our regulatory team.

Focus on quality control

We have a well-established quality control system that spans the procurement, storing, production, packing and delivery of our products, to assure quality and efficacy of our products throughout their shelf life.

We have a quality management system in place wherein roles, responsibilities and authorities are defined, communicated and implemented. Our primary quality objectives comprise of:

- Process performance and product quality monitoring system
- Corrective Action and Preventive Action (CAPA) system
- Change Management System
- Quality Risk Management (Risk Assessment)

- Management review of process performance and product quality

Senior management is responsible to ensure an effective implementation of quality system, to conduct periodic management review and to identify opportunities of continual improvement of products, processes and system.

Besides this, self audit programs are carried out biannually by Self-Audit Teams.

The Active Pharmaceutical Ingredients (APIs) and drugs, excipients (additives) and packing materials undergo rigorous quality tests as laid down under various Pharmacopoeia and in-house specifications. Approved consignments and lots are accepted and transferred for storing and subsequently used for production. We conduct several quality control procedures, including in-house tests and other tests performed by Public Testing Laboratories. We are accredited with World Health Organization – Good Manufacturing Practice Certification, Food and Drug Administration Philippines, Cosmetic Devices and Drug Authority of Sri Lanka, National Drug Authority Uganda, Food and Drug Administration Myanmar, DPML (*Direction De La Pharmacie Du Medicament Et Des Laboratoires*) – Ivory Coast, National Agency for Food and Drug Administration and Control - Nigeria and Food and Drug Administration - Ghana.

Integrity is an essential factor in our industry. We ensure brand protection, compliance with National Pharmaceutical Pricing Authority standards and other statutory requirements.

Experienced management team

We benefit from the experience of our promoters and management who are actively involved in our operations and have been instrumental in implementing our growth strategies. Our Promoters, together with our management team, have significant experience in the pharmaceutical industry across the entire business chain. Tushar Korday, our Promoter and Managing Director has more than three decades of experience in pharmaceutical industry. He is a Chemical Engineer by qualification from Indian Institute of Technology, Mumbai and a postgraduate diploma in management studies from Indian Institute of Management, Ahmedabad. Rajendra Gole, our promoter and Wholetime Director has experience of four decades and is a pharmacist by qualification from Mumbai University. Other promoters; Shailaja Korday and Jyoti Gole actively support our management.

Diversified product portfolio

Our product portfolio includes more than 200 formulations across 20 therapeutic categories which are manufactured at our facilities. So far, we have more than 80 formulations registered in various countries and more registrations are on the anvil. Our track record of registering dossiers and formulations successfully in overseas semi regulated countries has helped us to increase and diversify our product portfolio in various markets. Currently our products are registered in South East Asian, Africa and Central and Latin American countries. Our diversified product portfolio provides us with ample opportunities to grow business across different therapeutic categories and several countries.

Global presence

We are present across various countries in South East Asia, Africa, CIS and Central & Latin America which includes Philippines, Cambodia, Myanmar, Malaysia, Sri Lanka, South Africa, Vietnam, Ghana, Ivory Coast, Chile, Uruguay, Curacao, Bolivia, Turkmenistan, Azerbaijan etc. We currently have registrations for over 80 products across 20 countries and are continuously filing dossiers for registration of our formulations in those countries. We are suppliers of pharmaceutical products to Government of Sri Lanka for over eight years and Government of Chile (through Emil) for more than four years under our brand names / Generic names. In addition our partners overseas have been procuring products from us and supplying to Governments in many other countries.

Our Strategies

Our business objective is to grow our revenues and profits through increased and diverse product portfolio and thereby increase our market presence. Our business strategy focuses on the following elements:

Shifting focus from other business models to own exports and marketing own brands

We currently operate under three core business models wherein a significant portion of our revenue in past years has been derived from contract manufacturing model. In the current scenario, we believe, developing our own brands in overseas markets would fetch us superior returns and profit margins compared to contract manufacturing for domestic clients and merchant exporters. However, we shall continue to manufacture products on contract manufacturing for overseas clients as even this segment of our business model fetches steady and higher returns and profit margins compared to domestic contract manufacturing. We have invested in an associate concern in Uganda and also incorporated a wholly owned subsidiary in Ghana for marketing of our products.

Increasing number of bioequivalent and bio-waiver products

Bioequivalent

Bioequivalence is used to assess the expected *in vivo* biological equivalence of two preparations of a drug. It means that bioequivalent products are to be, for all intents and purposes, the same with the compared product. We currently have 9 bioequivalent products which are as follows:

Sr. No	List of Product
1.	Sildenafil Citrate Tablet 100 mg
2.	Enalapril Maleate Tablet 20 mg
3.	Atorvastatin Tablet 10 mg
4.	Losartan Potassium Tablet 50
5.	Omeprazole Capsule 20 mg
6.	Sertraline Tablet 50 mg
7.	Rosuvastatin Calcium 10 mg
8.	Lansoprazole Capsule 30 mg
9.	Metformin Hydrochloride Tablet 850 mg

Bio-waiver

A bio-waiver means that *in vivo* bioavailability and/or bioequivalence studies may be waived instead of conducting expensive and time consuming *in vivo* studies, a dissolution test could be adopted as the surrogate basis for the decision as to whether the two pharmaceutical products are equivalent. We currently have 9 bio-waiver products which are as follows:

Sr. No	List of Product
1.	Amlodipine Tablet 5 mg
2.	Amlodipine Tablet 10 mg
3.	Atorvastatin Tablet 80 mg
4.	Atorvastatin Tablet 20 mg
5.	Atorvastatin Tablet 40 mg
6.	Enalapril Maleate Tablet 10 mg
7.	Fluoxetine Capsule 20 mg
8.	Losartan Tablet 100 mg
9.	Sertraline Tablet 100 mg

These products provide us with an edge over competitors as they are tested and compared with the respective innovator brands through clinical trials. These products increase the trust of our end consumers on our products which are offered at competitive prices compared to innovator brands. We plan to invest

more funds and register more bioequivalent and bio-waiver products in the coming years. Registration of such bio-equivalent multiple products in various countries is one of the prime objects of this public issue.

Widening our product basket in explored markets

Currently, we have registered various products in countries in South East Asia, Africa and Central and Latin America which includes Philippines, Cambodia, Myanmar, Malaysia, Sri Lanka, Vietnam, Ghana, Ivory Coast, Chile, Uruguay, Curacao, Bolivia, etc. We plan to widen our product basket in these countries by registering and supplying more products. As we are equipped with in-house Formulations Development and Regulatory departments, we are well placed to register and add new products in various markets. This capacity, coupled with our strong established relations with our clients and with a new foray into marketing our Brands, will increase our market share in those countries. Since dossiers and bioequivalent studies are already done in respect of products named above, it is also an opportunity for our Company to widen its market reach in many more markets. Medibios has also developed a niche range of nutraceutical, OTC and cosmeceutical products which is a growing market due to higher health consciousness among consumers and higher disposable incomes. These ranges of products will widen our product basket and support our prescription product basket.

Strengthen regulatory and quality capabilities

Filing of dossiers in the overseas market is a tedious process wherein we are required to submit various documents and reports along with samples and fees. We plan to expand our regulatory team by adding professionals and pharmacists for preparing and filing of dossiers and strengthening the Quality Assurance team for maintaining quality. As we are planning to step into more regulated markets, we believe, our concentration on regulatory affairs and quality capabilities will help us to launch our footprints in those countries vigorously. As we also plan to invest more funds and register more bioequivalent products in the coming years, our quality and regulatory capabilities would play a significant role in increasing our market share in the regulated markets such as Europe, South Africa and Latin America.

Creating a separate veterinary division

We are currently manufacturing pharmaceutical products for both human and veterinary use using the same facility. As regulatory requirements are becoming more stringent across the globe, there is an expectation of some regulatory bodies for segregating the facilities for these two sections. We, therefore, propose to raise funds and set up a separate facility within in our current plot for veterinary products. In countries like Ethiopia, there is a potential for both human and veterinary pharmaceutical products. Adding a separate facility for veterinary drugs, as required by various regulatory authorities around the globe, shall open new markets for us thus widening our market reach and would generate additional revenues for our Company. We currently aim to manufacture veterinary products for Ethiopia, Zambia, South Africa and Latin American markets.

Proposed capacity for our veterinary products division would be as follows:

Particulars	Tablets/ Bolus	Powders
Units in millions per annum	25.00	10.00

Expansion and modernization of current facility to meet customer demands

We currently own a facility which is capable of manufacturing tablets, capsules and powder as follows:

Particulars	Tablets	Capsules	Powders
Units in millions per annum	980.40	450.00	3.00

We plan to expand and modernise our facility by adding necessary machinery and infrastructure. Our new facility will be World Health Organization – Geneva 2018 Certified Unit, (PIC/s) Pharmaceutical

Inspection Co-operation Scheme, European Union – Good Manufacturing Practices and Medicine Control Council South Africa approved in addition to already approved countries.

After competition of project:

Particulars	Tablets	Capsules	Powders
Units in millions per annum	1980.40	887.50	25.50

Expansion in our capacity would enable us to tap new markets and introduce new products in existing and new markets. It would also allow us to cater to requirements of customers which currently we are unable to service.

Modernization of facility will help us to manufacture products with better regulatory compliance. It will also enable us to register our facility with regulated markets as described below.

Modernize the manufacturing facility to meet standards of regulated markets.

One of the objects of this offer is to modernize and expand our current facility and to get it registered with WHO - Geneva 2018, PIC's, EU-GMP and MCC South Africa. These registrations shall enable us to tap newer markets, especially regulated markets. We plan to cater various European countries and South Africa with products manufactured at our facility. These registrations would help us develop two of our business model, i.e. direct sales and contract manufacturing for an overseas client.

Strengthening of Research and Development department

One of the objects of this offer is to invest in and register more bioequivalent products. Such products would increase our market share in various markets. Currently, we have nine bioequivalent products. It requires extensive research to study, develop and validate formulations which are bioequivalent to leading brands. We plan to set up an in-house Research and Development department which shall carry out the required research for registration of bioequivalent products. Besides this, R&D department would also be responsible for the development of new formulations based on generic molecules for increasing and betterment of our product basket. We believe, setting up of Research and Development department would add a new strength to our Company.

Develop our marketing set up in Ghana and other neighbouring countries

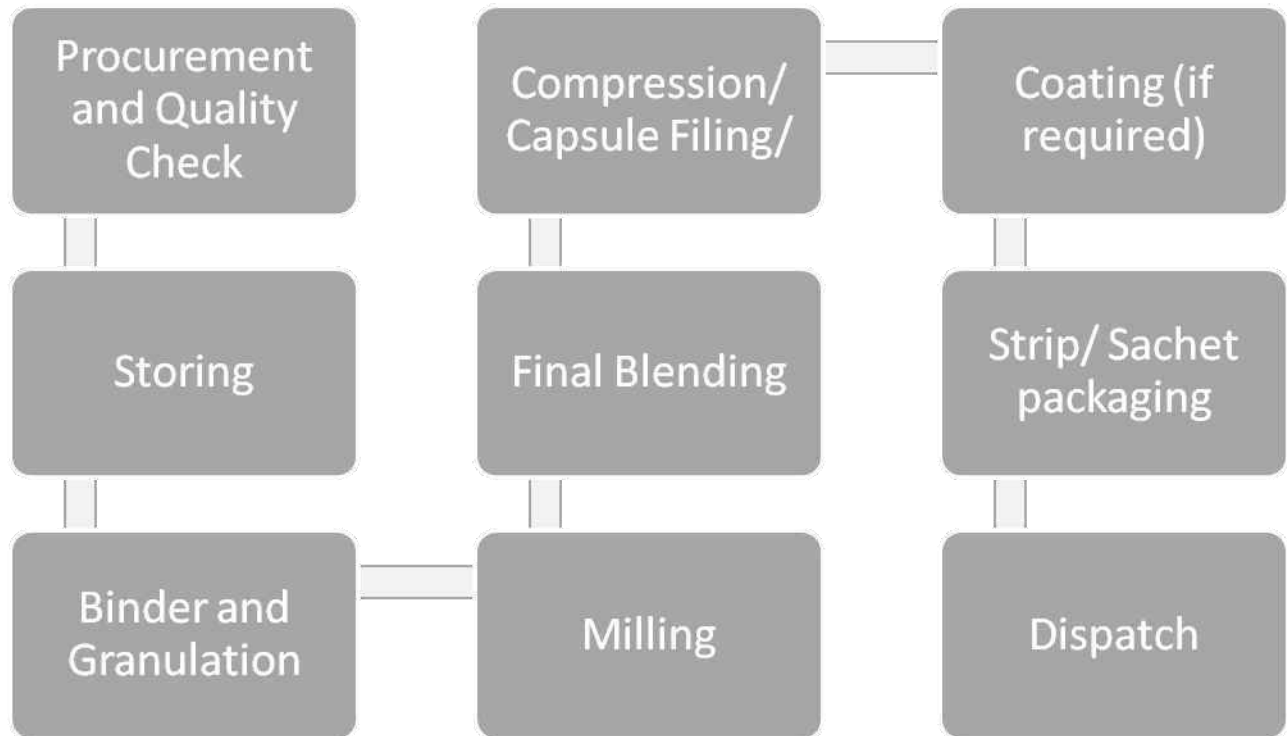
We have recently set up a wholly owned subsidiary in Ghana "Medibios Laboratories Ghana Private Limited" for marketing of our products there. We have developed our setup and have appointed a country head for undertaking all operations in Ghana. He has been designated to create a market for our branded and generic products in Ghana and other neighboring countries. We believe Ghana and other neighboring countries have the potential for our products and our marketing set up would help us cater to the demand accordingly.

Manufacturing Process

The manufacturing process of formulations differs from product to product i.e. between tablets, capsules and powders. A series of steps under controlled temperature, humidity and moisture are met for manufacturing of finished products. Finished products are packed in different packaging forms like strip packaging, bottle and sachets packing, etc. We currently manufacture formulations in three different forms:

- (iv) Tablets
- (v) Capsules
- (vi) Powders

Process



Tablets

Tablet manufacturing is a multi-stage process under which the materials change their physical characteristics till the final dosage form is produced. Various processes are involved in making tablets such as particle size reduction and sizing, granulation, drying, blending, and compaction. Various factors associated with these processes can seriously affect content uniformity, bioavailability, and stability of the finished tablets. Manufactured tablets are then coated if required. Uncoated / Coated tablets are then packed in either aluminum strips or Alu-PVC blister strips or Alu-Alu blister strips or bottles/jars as demanded by the client. Further packaging in paper boxes is done in some products as required by the Client. A sample from each batch is stored in the sample room to meet demands of regulatory authority post-dispatch of the final product.

Capsule

Capsule manufacturing process involves the blending of various ingredients in an Octagonal or Double Cone Blender. The ingredients are first sifted and then milled, before loading into the blender. In case of pellets, the same are purchased in readymade form and are directly filled in capsules. The encapsulation of blended powder and/or pellets is done in an automatic capsule filling machine. The machine is functional in use as they have capabilities for output and overrules manual operations thus avoiding human contact. Capsules usually are fed into the machine; the filler then aligns, opens and accurately fills each capsule and recloses the same. Non-separated, double loaded capsules and improperly inserted capsules are automatically rejected by machines to maintain the consistency in the quality of the product. Most capsule fillers are characterized by fast changeover time to accommodate a variety of capsules shapes and their size. Capsules are packed either in aluminum strips or Alu-PVC blister strips or Alu-Alu blister or bottles / jars. Further packaging in paper boxes is done in some products as required by the

Client. A sample from each batch is stored in the sample room to meet demands of regulatory authority post-dispatch of the final product.

Powder

Powder manufacturing is similar to tablet manufacturing process. It is a multi-stage process under which the materials change their physical characteristics till the final dosage form is produced. The powder is made by granulation either wet granulation or dry granulation followed by blending. Various processes are involved in including particle size reduction and sizing, blending, granulation, drying, etc. Various factors associated with these processes can seriously affect content uniformity, bioavailability, or stability of the finished product. Primary and secondary packaging is done as required in sachet packs, pouches, bottles or jars as per Client's requirements.

List of registered products (Human)

Sr. No.	Products Name	Country	Uses
1	Amlodipine 5 mg Tablets	Ghana	Anti-hypertensive
2	Amlodipine 10 mg Tablets	Ghana	Anti-hypertensive
3	Azithromycin 250 mg Tablets	Ghana	Antibacterial
4	Azithromycin 500 mg Tablets	Ghana	Antibacterial
5	Losartan Potassium tablet 50 mg	Ghana	Anti-hypertensive
6	Atorvastatin Tablet 10 mg	Ghana	Anti-cholesterol
7	Atorvastatin Tablet 20 mg	Ghana	Anti-cholesterol
8	Omeprazole capsule20	Ghana	Proton Pump Inhibitor
9	Dexamethasone Tablet 0.5 mg	Ghana	Corticosteroid Hormone (Glucocorticoid)
10	Zinc dispersible tablet 20 mg	Ghana	Zinc Deficiency
11	RDA 24 Tablet	Ghana	Multivitamin
12	RDA preg Tablet	Ghana	Multivitamin
13	Vitamino Syrup	Ghana	Multivitamin
14	Amlodipine Tablets 5 mg	Curacao	Anti-hypertensive
15	Amlodipine Tablets 10 mg	Curacao	Anti-hypertensive
16	Azithromycin Tablets 500 mg	Curacao	Antibacterial
17	Azithromycin Tablets 250 mg	Curacao	Antibacterial
18	Biocold Hot Mix	Curacao	Anti-inflammatory
19	Pacoat Extra Tablets (Ibuprofen, Paracetamol and Caffeine)	Ghana	Antipyretics
20	Amlonip 5 (Amlodipine 5 mg)	Myanmar	Anti-hypertensive
21	Amlonip 10 (Amlodipine 10 mg)	Myanmar	Anti-hypertensive
22	Besflo 0.4 mg (Tamsulosin Hydrochloride capsule 0.4mg)	Myanmar	Drug for Urinary retention
23	Cetrimon (Cetirizine Dihydrochloride Tablet 10 mg)	Myanmar	Antihistamine
24	Biocold Hot Mix	Nigeria	Relief of symptoms of flu and cold
25	Vasoflo 75 mg (Aspirin delayed released tablet 75 mg)	Nigeria	Antiplatelet therapy to prevent primary and secondary cardiovascular event
26	Lansoprazole Capsule 30 mg	Ghana	Antiulcer
27	CANSTAT 10	Curacao	Anti-cholesterol

Sr. No.	Products Name	Country	Uses
	(Atorvastatin Tablet 10 mg)		
28	CANSTAT 20 (Atorvastatin Tablet 20 mg)	Curacao	Anti-cholesterol
29	CANSTAT 40 (Atorvastatin Tablet 40 mg)	Curacao	Anti-cholesterol
30	Clopidogrel Tablets 75 mg	Curacao	Anticlotting
31	Esomeprazole Tablet 20 mg	Curacao	Proton Pump Inhibitor
32	Losartan Tablets 50 mg	Curacao	Anti-hypertensive
33	Clarithromycin Tablet 250 mg	Curacao	Antibacterial
34	Clarithromycin Tablet 500 mg	Curacao	Antibacterial
35	Montelukast Tablets 10 mg	Curacao	Antiasthma
36	Sertraline Tablets 50 mg	Curacao	Antidepressant
37	Sildenafil Tablets 50 mg	Curacao	Erectile Dysfunction
38	Tamsulosin Capsules 0.4 mg	Curacao	Muscle Relaxant
39	BESFLO (Tamsulosin Capsules 0.4 mg)	Sri Lanka	Muscle Relaxant
40	CETRICON (Cetirizine dihydrochloride tablet 10 mg)	Sri Lanka	Antihistamine
41	CIPRONIC 250 (Ciprofloxacin Tablet 250 mg)	Sri Lanka	Antibacterial
42	CLARIMATE 250 (Clarithromycin Tablet 250 mg)	Sri Lanka	Antibacterial
43	CLOPIMED (Clopidogrel bisulphate tablet 75 ,mg	Sri Lanka	Anticlotting
44	FLUTEX 20 (Fluoxetine capsule USP 20 mg)	Sri Lanka	Antidepressants
45	MEDIPRAZOLE 40 (Esomeprazole Tablet 40 mg)	Sri Lanka	Proton Pump Inhibitor
46	MEDIPRAZOLE 20 (Esomeprazole Tablet 20 mg)	Sri Lanka	Proton Pump Inhibitor
47	NUGLIM (Glimepride Tablet 1 mg)	Sri Lanka	Anti-diabetic
48	LEVOTIOTIC 500 (Levofloxacin Hemihydrate 500 mg)	Sri Lanka	Antihistamine
49	XSPRIN 75 (Asiprin delayed released tablet 75 mg)	Sri Lanka	Anti-inflammatory
50	ROVASTAT (Rosuvastatin Tablet 10 mg)	Sri Lanka	Anti-cholesterol
51	XCITE 100 (Sildenafil Tablet 100 mg)	Sri Lanka	Erectile Dysfunction
52	CLARIMATE 250 (Clarithromycin Tablet 250 mg)	Sri Lanka	Antibacterial
53	NUGLIM 2 (Glimepride Tablet 2 mg)	Sri Lanka	Anti-diabetic
54	CLARIMATE 500 (Clarithromycin Tablet 500 mg)	Sri Lanka	Antibacterial
55	CLARIMATE Suspension (Clarithromycin suspension 150 mg/5	Sri Lanka	Antibacterial

Sr. No.	Products Name	Country	Uses
	ml)		
56	Fybohusk granules 3.7 g (Ispaghula Husk granules)	Sri Lanka	Laxative
57	Paranip 500 (Paracemol Tablet 500 mg)	Sri Lanka	Antipyretics
58	Metnip 500 (Metformin HCl Tablet 500 mg)	Sri Lanka	Anti-diabetic
59	Paranip (Paracemol Tablet 500 mg)	Uganda	Antipyretics
60	Diclon EC (Diclofenac enteric coated Tablet 50 mg)	Uganda	anti-inflammatory
61	Cipronic 500 (Ciprofloxacin Tablet 500 mg)	Uganda	Antibacterial
62	Vinibu 200 Ibuprofen Tablet 200 mg	Uganda	anti-inflammatory
63	Doximil 100 Doxycycline capsule 100 mg	Uganda	Antibiotic
64	Winart (Artemether 20 mg and Lumefantrine 120 mg)	Ghana	Anti-malarial
65	Winart DS (Artemether 40 mg and Lumefantrine 240 mg)	Ghana	Anti-malarial
66	Winart Forte (Artemether 80 mg and Lumefantrine 480 mg)	Ghana	Anti-malarial
67	Winart suspension (Artemether 20 mg and Lumefantrine 120 mg suspension)	Ghana	Anti-malarial
68	Asnac SR 75 mg (Diclofenac sustained released capsule 75 mg)	Ghana	anti-inflammatory
69	Asnac SR 100 mg (Diclofenac sustained released capsule 100 mg)	Ghana	anti-inflammatory
70	Omecet (Omeprazole Capsule 20 mg)	Ghana	proton pump inhibitors
71	Omecet (Omeprazole Capsule 20 mg)	Nigeria	proton pump inhibitors
72	Phingin tablet (Paracetamol and caffeine Tablet)	Nigeria	anti-inflammatory
73	Diclofenac delayed release tablet 50 mg	Ghana	anti-inflammatory
74	Diclofenac delayed release tablet 100 mg	Ghana	anti-inflammatory
75	Quinine Sulphate Tablet 300 mg	Ghana	prevention of nocturnal leg cramps
76	Mebendazole Tablet 500 mg	Ghana	Anthelmintic
77	Ibuprofen Tablet 400 mg	Ghana	anti-inflammatory
78	Suncreme Lotion	Sri Lanka	Sunscreen lotion
79	Zitovit tablet (B complex tablet)	Curacao	Multivitamins
80	D Tab	Sri Lanka	Vitamins

Sr. No.	Products Name	Country	Uses
81	Calvit K2 Calcium with D3 and Vitamin K2 MK-7	Sri Lanka	Vitamins and mineral
82	Alkafast (Effervescent Granules)	Sri Lanka	Urinary alkaliser
83	Omeprazole Capsule 20 mg	Uruguay	proton pump inhibitors
84	Clarinieo Suspension (Clarithromycin suspension)	Vietnam	Antibacterial
85	Chlorpheniramine Tablet 4	Ghana	Antihistamine
86	Lumaforce Tablet (Artemther 80 mg and Lumefantrine 480 mg tablet)	Ghana	Anti-malarial
87	Methyldopa 500 mg	Costa Rica	treat high blood pressure (hypertension)

Product Range (Veterinary)

Sr. No.	Product Name
1.	VALBAZEN POWDER (VET) (ALBENDAZOLE POWDER)
2.	FUREA BOLUS (VET) BOLUS OF NITROFURAZONE AND UREA
3.	FUREA-U BOLUS (VETERINARY) Bolus of Urea
4.	OXYTETRACYCLINE HYDROCHLORIDE ANIMAL FORMULA TABLETS (VET)
5.	OXYTETRACYCLINE SOLUBLE POWDER (VET)
6.	ANOREXON FORTE BOLUS
7.	UROBLEX INTRA-UTERINE OBLET (Oxytetracycline Hydrochloride Intra-Uterine Oblet (Vet) 2 gm)
8.	NUTRICAL –CA TABLETS (Calcium, Phosphorous Magnesium and Vitamin D3 Tablets)
9.	NEO-OXY (VET) (Neomycin Sulphate-Oxytetracycline Hydrochloride Soluble powder with Vitamins)
10.	PANACUR 25% WETTABLE POWDER Vet. (Fenbendazole Powder)
11.	FENBENDAZOLE 25% WETTABLE POWDER Vet
12.	PANACUR 20% WETTABLE POWDER Vet. (Fenbendazole Powder)
13.	PANACUR POWDER 4% (Fenbendazole Powder)
14.	TETRAMISOLE HYDROCHLORIDE POWDER BP (Vet.)
15.	PANACUR SC POWDER Panacur SC powder with selenium and cobalt
16.	PANACUR 1.5 G Boli (Vet) (Fenbendazole Tablets)
17.	PANACUR 150 mg tablets (Vet) (Fenbendazole Tablets)
18.	TOLZAN 1.0 Boli (Vet) (Oxyclozanide Boli)
19.	TOLZAN 200 TABLETS (Vet) (Oxyclozanide Tablets)
20.	TETRACYCLINE HYDROCHLORIDE WATER SOLUBLE (VET)

Sr. No.	Product Name
21.	RUMICARE (Vet)
22	ALBENDAZOLE BOLUS 300

Plant and Machinery

We propose to purchase following plant and machinery equipments from proceeds of this public issue.

General Division

(Rs. in lakhs)

Equipment	Supplier	Rate	Quantity	Amount	Date of Quotation
Revomax Plus Boiler- Rxd – 850	Parchem Enterprise	7.21	1	7.21	23.02.18
Pharmafill - 60 Capsule Filling Machine	Parchem Enterprise	33.25	1	33.25	23.02.18
Pharmafill - 150 Capsule Filling Machine	Anchor Mark Private Limited	53.00	1	53.00	23.02.18
Rapid Mixer Granulator Rmg - 600 Lt Mitsubishi male with PLC And touch screen HMI	Anchor Mark Private Limited	26.50	1	26.50	23.02.18
Unik II EC – 51 D Tooling (Monolayer) with Rejection System and mountings and accessories	Karnavati Engineering Limited	56.20	1	56.20	23.02.18
Unik II EC – 61 B Tooling (Monolayer) with rejection System.	Karnavati Engineering Limited	56.20	1	56.20	23.02.18
Two Pass Ro-Edi System (Chemical Type)	Komal Industries	14.87	1	14.87	23.02.18
CIP System	Komal Industries	1.10	1	1.10	23.02.18
Purified Water Storage & Distribution System	Komal Industries	18.31	1	18.31	23.02.18
Vibro Sifter 36” Gmp Model Epps-36.	Elicon Pharma	2.67	1	2.67	27.02.18
Multimill GMP Model	Elicon Pharma	2.07	1	2.07	27.02.18
Starch Paste Kettle Gmp Model 150lts Working Volume	Elicon Pharma	2.65	1	2.65	27.02.18
F.B.D. 120 Kg GMP Model With S.S.-316 Plus One Additional S.S Container	Elicon Pharma	13.80	1	13.80	27.02.18
Octagonal Blender Cap - 600 Ltrs. GMP Model and Mitsubishi PLC and Vacuum Transfer System	Elicon Pharma	8.30	1	8.30	27.02.18
Auto Coater 48” Cgmp Model WITH Scrubber	Elicon Pharma	33.20	1	33.20	27.02.18

Equipment	Supplier	Rate	Quantity	Amount	Date of Quotation
Tablet Inspection Belt	Gaylord Pharma Systems	3.25	2	6.50	01.03.18
Powder Filling Machine	Packsol Industries	2.50	2	5.00	28.06.17
Basic EPI-3010 PDA Blister Packing Machine with one set of Change Part	Elmach Packages Private Limited	35.00	2	70.00	28.02.18
Metal Detactor	Karnavati Engineering	4.50	2	9.00	
Visual Inspection Camera	Jekson Vision Private Limited	6.50	5	32.50	02.03.18
Total				451.33	

Veterinary Division

(Rs. in lakhs)

Equipment	Supplier	Rate	Quantity	Amount	Date of Quotation
Revomax Plus Boiler- Rxd – 850	Parchem Enterprise	7.21	1	7.21	27.12.16
Rapid Mixer Granulator Rmg - 600 Lt Mitsubishi male with PLC And touch screen HMI	Anchor Mark Private Limited	26.50	1	26.50	23.02.18
Multimill Production Mixer 3 HP Plus accessories	Anchor Mark Private Limited	3.58	1	3.58	23.02.18
Steam heating starch kettle	Anchor Mark Private Limited	1.25	1	1.25	23.02.18
Vibro Sifter 36" GMP Model EPVS-36.	Elicon Pharma	2.67	1	2.67	27.02.18
Multimill GMP Model	Elicon Pharma	2.07	1	2.07	27.02.18
F.B.D.120 Kg GMP Model with S.S.-316 and additional S.S Container	Elicon Pharma	13.80	1	13.80	27.02.18
Octagonal Blender 1,500 Ltrs. and Vaccum Transfer System	Gaylord Pharma Systems	17.05	1	17.05	01.03.18
Table Inspection Belt	Gaylord Pharma Systems	3.25	1	3.25	01.03.18
10 TR Strip Packing Machine GMP Model with Maximum sealing width 300 MM consists are one set of change parts, Batch Printing unit, 1mt. long Conveyor and S.S. Control panel	Sams Technomech Private Limited	4.95	1	4.95	01.03.18
Powder Filing Machine	Packsol	2.50	2	5.00	26.06.17

Equipment	Supplier	Rate	Quantity	Amount	Date of Quotation
	Industries				
Visual Inspection Camera System for Blister Packing machines existing machines and new machines (BIS-1)	Jekson Vision Private Limited	6.50	1	6.50	02.03.18
Total				93.83	

Raw materials

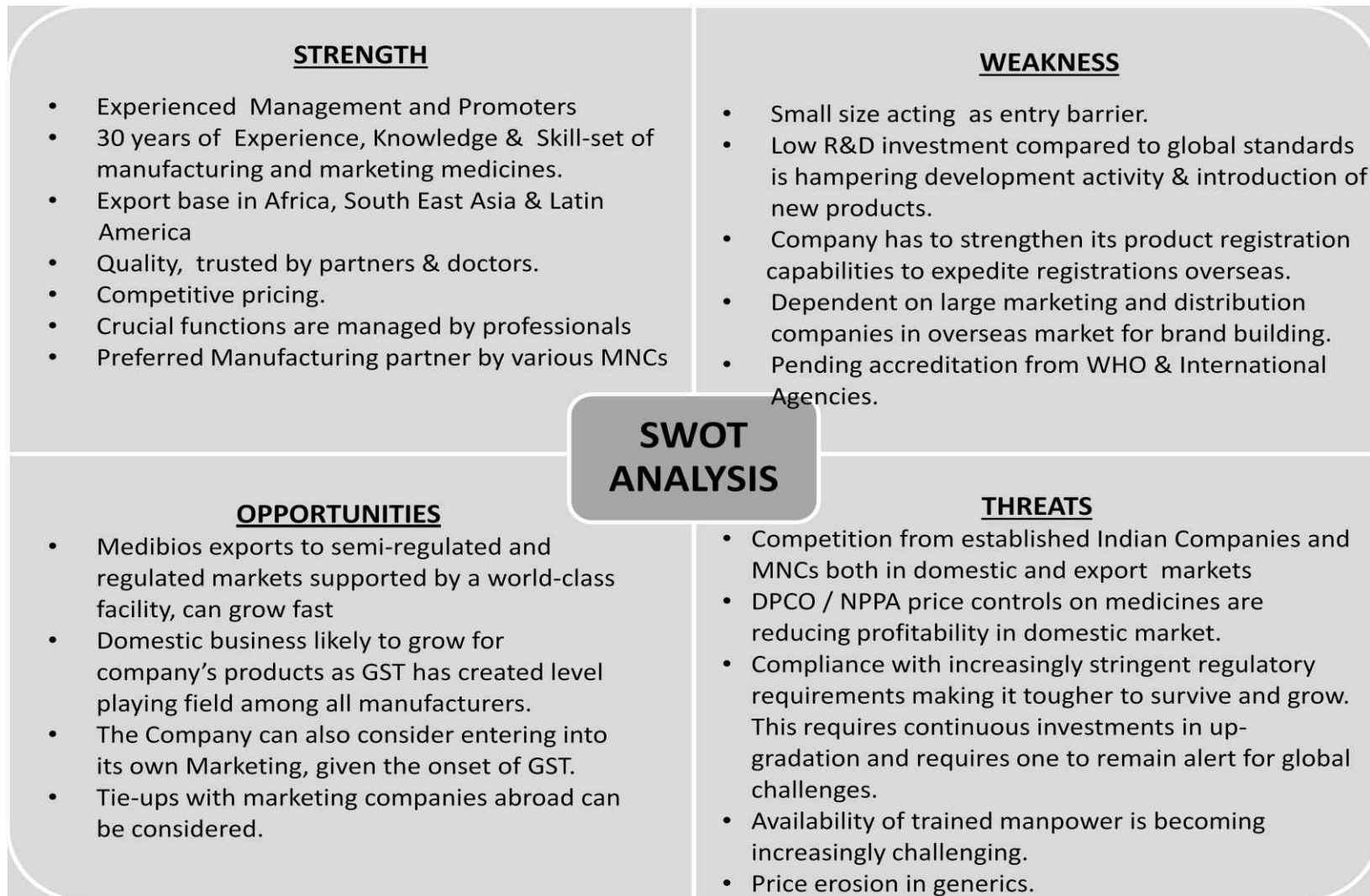
The major raw materials used in our manufacturing process are procured from domestic manufacturers / vendors while we import a few materials from China or Europe. Active Pharmaceutical Ingredients and Additives are our major raw materials. Besides these, essences, pharma-grade sugar, colourants, packaging material, etc. are used in the manufacture of our products. All raw materials, except a few, are procured from Maharashtra, Gujarat, Andhra Pradesh and Telangana. Packaging materials are obtained from vendors in Maharashtra and Gujarat. We purchase raw materials from approved vendors (approved by our quality control department) and test each and every lot. Further, our procurement is not dependent on single suppliers as we have an extensive list of vendors on board for critical raw materials.

End consumer

We manufacture and sell pharmaceutical products which are consumed by the patients. We also sell cosmetics and OTC and few nutraceutical products which are used for personal nutritional needs, both by healthy persons as well as patients.

Veterinary products are consumed by veterinary patients and also by health cattle for their nutritional needs.

SWOT analysis



Capacity and Capacity Utilization

General Drugs

Current

(in million units per annum)

Particulars	2014-15		2015-16		2016-17	
	Installed	Utilization	Installed	Utilization	Installed	Utilization
Tablets	980.40	765.59	980.40	1,087.92	980.40	1,182.53
Capsule	450.00	489.29	450.00	518.69	450.00	537.95
Powder	3.00	1.24	3.00	1.14	3.00	1.28

Note: For the financial year 2015-16 and 2016-17, we operated our manufacturing facilities on dual shifts for few months to meet the increasing demand of our products thereby over utilizing our installed manufacturing capacity.

Proposed

(in million units per annum)

Particulars	2017-18 (Till Jan 31)		2018-19		2019-20	
	Installed	Utilization	Installed	Utilization	Installed	Utilization
Tablets	980.40	1,060.00	1980.40	1,144.80	1980.40	1,373.76
Capsule	450.00	665.00	887.50	684.95	887.50	753.35
Powder	12.00	12.10	25.50	13.07	25.50	15.68

Veterinary drugs

Proposed

(in million units per annum)

Particulars	2017-18		2018-19		2019-20	
	Installed	Utilization	Installed	Utilization	Installed	Utilization
Tablets/ Bolus	Done from General division	7.60	25.00	8.21	25.00	9.85
Powder		0.58	10.00	0.63	10.00	1.25

Utilities and Infrastructure

Registered Office

Infrastructure Facility

Our registered office is situated at Borivali, Mumbai and is well equipped with computer systems, internet connectivity, other communications equipment, security and other facilities.

Power Facility

The Company meets its power requirement by purchasing from Tata Power Limited

Corporate Office

Infrastructure Facility

Our corporate office is situated at Borivali, Mumbai and is well equipped with computer systems, internet connectivity, other communications equipment, security and other facilities. It is taken on lease and license basis from Emil Pharmaceutical Industries Private Limited. We have ERP software TCS iON for our accounting, materials planning, costing and all allied business needs.

Power Facility

The Company meets its power requirement by purchasing from Reliance Infrastructure Limited

Factory

Infrastructure facilities

Our plant is situated at Tarapur, Maharashtra is well equipped with plant and machinery, computer systems, internet connectivity, other communication equipment, security and other facilities like fire safety, CCTV cameras which are required for our business & manufacturing operations. Our plant is equipped to conduct processes commencing from the raw material testing stage until completion at the final product testing stage. We have an in-house testing laboratory for quality control checks and testing of our products. We endeavour to maintain safety in our premises by adhering to key safety norms. Expansion and modernization of our facility for manufacturing are to be set up on the existing available lease-hold land in the same plot.

Power facilities

We meet our electricity requirements from MSEB / MSEDCL at our manufacturing facility.

Water facilities

Adequate arrangements concerning water requirements for factory, drinking and gardening purpose is made through MIDC water supply which provides filtered and treated water.

Effluent Treatment Plant (ETP)

The company has installed an ETP to treat its industrial effluents and to bring down the levels of the various parameter such as BOD COD, pH etc. to the limits mandated by MPCB before letting out the treated effluents to CETP operating in MIDC, TIA.

Transportation and Logistics

Our manufacturing facility is situated at MIDC, TIA which lies around 100 kilometers north of central Mumbai. TIA falls at a detour of 20 kilometers to NH 48, i.e. Mumbai - Ahmedabad Highway and thus well connected to major cities in Gujarat and Maharashtra. Nearest airports being Mumbai domestic and international airport lying around 100 kilometers from our facility provides us easy and hassle-free access to the overseas client. Our exports are carried out by air freight or through sea vessels. We are connected to Jawaharlal Nehru Port Trust, Maharashtra through roadways. For domestic customers, we rely on road transportation. Our facility is accessible to various transportation hubs like Bhiwandi and industrial hubs like Vapi and Ankleshwar in the western part of India.

Quality Control

We have a quality management system in place wherein roles, responsibilities and authorities are defined, communicated and implemented. Our primary quality objectives comprise of:

- Process performance and product quality monitoring system
- Corrective Action and Preventive Action (CAPA) system
- Change Management System
- Quality Risk Management (Risk Assessment)
- Management review of process performance and product quality

Senior management is responsible to ensure an effective implementation of quality system, to conduct periodic management review and to identify opportunities of continual improvement of products, processes and system.

Besides this, self audit programs are carried out biannually by Self-Audit Teams. We have all requisite equipment in place for quality control.

Environmental, Health and Safety

We have a formal safety department with technically qualified personnel to ensure safety in place as mandatory industrial norms across the factory. All necessary awareness and safety measures concerning pharmaceutical operations, industrial hazard management, waste management, fire safety are in place, and personnel are trained for operation through periodic training programs.

Medical safety and first aid kits are available round the clock. Safety slogans boards are placed at prime locations to take safety awareness. Emergency evacuation, fire safety, mock drills are periodically practiced to handle natural calamities.

Competition

Our Company operates in the pharmaceutical industry which faces significant competition from domestic and international players. The primary competitive factors consist of quality, price, size of portfolio and customer service. Moreover, as we seek to diversify into new geographical areas globally, we may face significant competition from local manufacturers and distributors, multinational organizations and companies from other emerging markets operating in such markets.

We compete with our competitors on the basis of product quality, our integrity and business ethics, brand image, price and reliability. We continuously strive to widen and improve our client base to increase our domestic presence. For expanding our global reach, we are in continuous process of obtaining new product registrations in overseas countries. We intend to continue competing vigorously to capture more market share and optimally manage our growth in a planned way by improving our brand image, increase our product offerings, satisfying customer's demands, improving operating efficiencies, upgrading our facility with regulatory standards, etc.

Insurance

We currently have keyman insurance policy for fire and special perils for our manufacturing facility

Employees

As of February 28, 2018, we have more than 125 full-time employees. We adhere to a policy of nurturing dedicated talent by conducting regular training programs. We also employ contract labors from registered labour contractors and various service providers. We provide training to our employees and contract labour both as a commitment to their career development and also to ensure quality service to our customers. These trainings are conducted on joining as part of employee initiation and include additional on-the-job trainings.

Intellectual Property Rights

Sr. No.	Trademark	Trademark Type	Class	Application No.	Date of Application	Validity	Registration Status
1.	AMLOSAVEE	Word	5	1797816	20 March, 2009	20 March, 2019	Registered
2.	ARTLEX	Word	5	2792633	19 August, 2014	19 August, 2024	Registered
3. .	ERYFAST	Word	5	1605322	25 September, 2007	25 September, 2027	Registered
4. .	MEDILUKAST	Word	5	1797817	20 March, 2009	20 March, 2019	Registered
5. .	MEDIPRAZOL	Word	5	1797818	20 March, 2009	20 March, 2019	Registered
6. .	MEDITRAM	Word	5	1797815	20 March, 2009	20 March, 2019	Registered
7.	MENTHOCURE	Word	5	2830908	21 October, 2014	21 October, 2024	Registered
8. .	MOCETAXL	Word	5	2051066	9 November, 2010	9 November, 2020	Registered
9. .	OXLISTAT	Word	5	2051067	9 November, 2010	9 November, 2020	Registered
10. .	PARANOGO	Word	5	1648034	30 January, 2008	30 January, 2028	Registered
11. .	REMECARB	Word	5	2051069	9 November, 2010	9 November, 2020	Registered
12.	VinMed	Word	5	2792632	19 August, 2014	19 August, 2024	Registered

Property

Sr. No.	Location of the property	Lessor	Area	Period	Current Usage
1	102, Shree Mangalam, 1st floor, Kulupwadi, Borivali (E) Mumbai 400066, Maharashtra, India	Emil Holdings Pvt Ltd	750 sq ft	Since 1998	Registered Office
2	301, Western Edge - I, Above Metro Mall, Off Western Express Highway, Borivali [East], Mumbai: 400 066.	Emil Pharmaceutical Industries Pvt. Ltd	2,500 sq ft	Since 2016 for 5 years	Corporate Office
3	J-76, Tarapur M.I.D.C., Boisar, Maharashtra 401501	MIDC	5,855 sq m	95 Years	Manufacturing facility
4	Plot J-76/PT MIDC Tarapur, Boisar, Palghar District, Maharashtra – 401506	MIDC	3,776 sq m	95 Years	Manufacturing Facility

KEY REGULATIONS AND POLICIES

The following description is a summary of certain sector specific Indian laws and regulations in India, which are applicable to the Company. The information detailed in this section has been obtained from publications available in the public domain. The laws and regulations set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

For the purpose of the business undertaken by the Company, we are required to obtain licenses and approvals depending upon prevailing laws and regulations. For details of such approvals, please refer to the section titled “Government Approvals” starting from page no. 212 of this Draft Prospectus.

APPLICABLE LAWS AND REGULATIONS

Labour and Industry Specific Laws

The Micro, Small and Medium Enterprises Development Act, 2006

The Micro, Small and Medium Enterprises Development Act, 2006 (“**MSME Act**”) was enacted to promote and enhance the competitiveness of micro, small and medium enterprises. The Central Government is empowered to classify by notification, any class of enterprises including *inter alia* a company, partnership, firm or undertaking by whatever name called, engaged in the manufacture or production of goods pertaining to any industry mentioned in the First Schedule to Industries (Development and Regulation) Act, 1951 as micro enterprise, where the investment in plant and machinery does not exceed Rupees twenty five lakhs; Small enterprise, where the investment in plant and machinery is more than Rupees twenty five lakhs but does not exceed Rupees five crores; or a medium enterprise, where the investment in plant and machinery is more than Rupees five crores but does not exceed Rupees ten crores and in the case of the enterprise engaged in the services- Micro enterprise, where the investment in equipment does not exceed Rupees ten lakhs, Small Enterprise where the investment in equipment is more than Rupees ten lakhs but does not exceed Rupees two crores, or Medium Enterprise where the investment in equipment is more than Rupees two crores but does not exceed Rupees five crores.

The Drugs and Cosmetics Act, 1940

The Drugs and Cosmetics Act, 1940 as amended from time to time (“**DCA**”) acts as a regulator for import, manufacture, distribution and sale of drugs in India as well as aspects relating to labelling, packing, testing and licensing. Matters pertaining to drug formulations, biological and Active Pharmaceutical Ingredients (“**API**”) are also governed by the DCA. Under the DCA, while regulation of manufacture, sale and distribution of drugs is primarily the responsibility of the state authorities, the central authorities are responsible for approval of new drugs, clinical trials, laying down standards, control over imported drugs and coordination of activities of state drug control organizations. These procedures involve obtaining a series of approvals for different stages at which drugs are tested, before the Drug Controller General of India (“**DCGI**”), an authority constituted under the DCA, which is empowered to grant the final license to allow drugs to be manufactured and marketed. The Central Drugs Standard Control Organization (“**CDSCO**”) is responsible for testing and approving APIs and formulations in consultation with the DCGI.

The DCA also regulates the import of drugs into India, and prohibits the import of certain categories of drugs into India, for instance (i) any drug which is not of standard quality, (ii) any misbranded drug, (iii) any adulterated or spurious drug, (iv) any drug for the import of which a licence is prescribed, otherwise than under, and in accordance with, such licence, (v) any patent or proprietary medicine, unless there is displayed in the prescribed manner on the label or container thereof the true formula or list of APIs contained in it together with the quantities thereof, (vi) any drug which by means of any statement, design or device accompanying it or by any other means, purports or claims

to cure or mitigate any such disease or ailment, or to have any such other effect, as may be prescribed, and (vii) any drug the import of which is prohibited under the DCA. This restriction shall not apply, subject to prescribed conditions, to the import of small quantities of any drug for examination, testing, analysis or personal use. The Government of India (“**Government**”) may, after consultation with the Drugs Technical Advisory Board, by notification in the official gazette, permit, subject to any conditions specified in the notification, the import of any drug or class of drugs not being of standard quality. Further, if the Government is satisfied that the use of any drug involves any risk to human beings or animals or that any drug does not have the therapeutic value claimed for it or contains ingredients and in such quantity for which there is no therapeutic justification and that in the public interest it is necessary or expedient so to do, it may, by notification in the official gazette, prohibit the import of such drug or cosmetic.

The Drugs and Cosmetics Rules, 1945

The Drugs and Cosmetics Rules, 1945 (“**DC Rules**”) 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 licenses, the authority empowered to issue the same and the fees payable therefore. The DC Rules provide for the cancellation or suspension of such licence in any case where any provisions or rule applicable to the import of drugs and cosmetic is contravened or any of the conditions subject to which the licence is issued are not complied with. The DC Rules further prescribe the manner of labelling and packaging of drugs. The DC Rules lay down the process mechanics and guidelines for clinical trial, including procedure for approval of clinical trials. Clinical trials require obtaining of free, informed and written consent from each study subject. The DC Rules also provide for compensation in case of injury or death caused during clinical trials. The CDSCO has issued the guidance for industry for submission of clinical trial application for evaluating safety and efficacy, for the purpose of submission of clinical trial application as required under the DC Rules. The Indian Council of Medical Research has issued the Ethical Guidelines for Biomedical Research on Human Participants, 2006 which envisages that medical and related research using human beings as research participants must, necessarily, *inter alia*, ensure that the research is conducted in a manner conducive to, and consistent with, their dignity, well-being and under conditions of professional fair treatment and transparency. Further, such research is subjected to evaluation at all stages of the same.

The National List of Essential Medicines, 2011

The Ministry of Health and Family Welfare introduced the National Essential Drugs List (the “**NEDL**”) in 1996, modeled on the WHO Essential Drugs List. The NEDL was meant to be an indicator of availability of the included drugs (approved by the DCGI) in the country. The NEDL was reviewed by a committee of experts constituted by the Director General of Health Services, Ministry of Health and Family Welfare, and was revised and adopted as the National List of Essential Medicines (the “**NLEM**”) in 2003. The NLEM was subsequently updated in 2011 and it currently has 348 medicines included in it.

The National Pharmaceuticals Pricing Policy, 2012

The National Pharmaceuticals Pricing Policy, 2012 Policy (“**NPPP**”) replaces the drug policy of 1994 and presently seeks to lay down the principles for pricing of essential drugs specified in the NLEM declared by the Ministry of Health and Family Welfare, Government of India and modified from time to time, so as to ensure the availability of such medicines at reasonable price, while providing sufficient opportunity for innovation and competition to support the growth of the Industry. The prices would be regulated based on the essential nature of the drugs rather than the economic criteria/market share principle adopted in the drug policy of 1994. Further, the NPPP will regulate the price of

formulations only, through market based pricing which is different from the earlier principle of cost based pricing. Accordingly, the formulations will be priced by fixing a ceiling price and the manufacturers of such drugs will be free to fix any price equal to or below the ceiling price.

The Drugs (Prices Control) Order, 2013

The Drugs (Price Control) Order, 2013 (“**DPCO**”) has been passed by the Central Government in pursuance of Section 3 of the Essential Commodities Act, 1955. The DPCO, *inter alia*, provides that the Central Government may issue directions under specified circumstances to the manufacturers of API or bulk drugs or formulations to increase production or sell such APIs or bulk drugs to such manufacturer of formulations and direct the formulators to sell the formulations to institutions, hospitals or any agency. The DPCO also sets out 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 Central Government can also notify the ceiling price for drugs and recover dues accrued under the earlier Drugs (Prices Control) Order, 1979 from the relevant manufacturer, importer or distributor and such amounts are required to be deposited in the drugs prices equalization account. The DPCO prescribes certain instances when the provisions of the DPCO will not be applicable. These provisions are applicable to all scheduled formulations irrespective of whether they are imported or patented, unless they are exempted. The DPCO has been amended on March 9, 2015 and May 8, 2015 to amend the definitions of ‘non-scheduled formulation’ and ‘manufacturer’, respectively. The DPCO has been amended on March 22, 2016 to amend provisions in relation to ceiling or retail price of injections, inhalations or other medicines, the dosage form and/or strength of which is not mentioned in the list of scheduled formulations.

The Essential Commodities Act, 1955

The Essential Commodities Act, 1955 as amended from time to time (“**ECA**”) gives powers to the Government to, among other things, regulate production, distribution and quality of essential commodities including drugs, for maintaining or increasing supplies and for securing their equitable distribution and availability at fair prices. Using the powers under it, various ministries/departments of the 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 issued various control orders to regulate various aspects of trading in essential commodities.

The Pharmaceutical Export Promotion Council

The Pharmaceutical Export Promotion Council (“**Pharmexcil**”) was set up by the Ministry of Commerce and Industry, Government of India, on May 12, 2004, in order to serve as an exclusive export promotion council for the Indian pharmaceutical industry. Pharmexcil is the sole issuer of registration-cum-membership certificates to exporters of pharmaceutical products in India. Pharmexcil takes on several external trade promotion activities by organizing trade delegations outside India, arranging buyer-seller meetings and organizing international seminars. Various pharmaceutical products such as bulk drugs and formulations, collaborative research, contract manufacturing, diagnostics, clinical trials and consultancy are covered under its purview.

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

The Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954 (“**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, and any announcement made orally or by any means of producing or transmitting light, sound or smoke. It also specifies the ailments for which no advertisement is allowed and prohibits advertisements that misrepresent, make false claims or mislead.

The Factories Act, 1948

The Factories Act, 1948, as amended from time to time (“**Factories Act**”), seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. It applies to industries in which ten or more workers are employed on any day of the preceding twelve months and are engaged in the manufacturing process being carried out with the aid of power, or twenty or more workers are employed in the manufacturing process being carried out without the aid of power. The Factories Act does not cover mines governed by the Mines Act, 1952, or a mobile unit belonging to the armed forces, railway running shed or a hotel, restaurant or eating place.

The Factories Act provides that the ‘occupier’ of a factory i.e. the person who has ultimate control over the affairs of the factory i.e. in the case of a company, any one of the directors, is required to obtain registration for the factory and must ensure the health, safety and welfare of all workers especially in respect of safety and proper maintenance of the factory such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers’ health and safety, cleanliness and safe working conditions.

The Employees’ Provident Funds and Miscellaneous Provisions Act, 1952

The Employees Provident Funds and Miscellaneous Provisions Act, 1952, as amended from time to time (“**EPF Act**”), ensures compulsory provident fund, family pension fund and deposit linked insurance in factories and other establishments for the benefits of the employees. The EPF Act applies to all establishments engaged in any industry specified in Schedule I (of the EPF Act) that employ twenty or more persons and to any other establishment employing twenty or more persons or class of such establishments which the Government may specify by a notification. All the establishments specified under the EPF Act are required to be registered with the Provident Fund Commissioners of the State. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the Employees’ Provident Fund, the prescribed percentage of basic wages, dearness allowance and remaining allowance (if any) payable to the employees. The employee is also required to make an equal contribution to the fund.

The Employees’ Pension Scheme, 1995

Family pension in relation to the EPF Act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The Employees’ Pension Scheme, 1995 (“**Pension Scheme**”) shall apply to all the employees who become a member of the EPF or provident fund of the factories provided that the age of the employee should not be more than fifty nine years of age in order to be eligible for membership under the EPF Act. Every employee who is member of EPF or PF has an option of the joining the Employees’ Pension Scheme, 1995. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

The Employees Deposit Linked Insurance Scheme, 1976

The Employees Deposit Linked Insurance Scheme, 1976 (“**Scheme**”) shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the EPF Act. The employer falling under the Scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer’s contribution and also Central Government’s contribution to the insurance fund shall be credited to an account called as Deposit Linked Insurance Fund Account.

The Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965, as amended from time to time (“**Bonus Act**”), provides for payment of bonus based on profit or based on production or productivity to persons employed in factories or in establishments employing twenty or more persons on any day during an accounting year. It ensures that a minimum bonus is payable to every employee regardless of whether the

employer has any allocable surplus in the accounting year in which the bonus is payable. Under the Bonus Act, the employer is bound to pay to every employee, in respect of the accounting year, a minimum bonus equal to 8.33% of the salary or wage earned by the employee during the accounting year or Rupees Hundred, whichever is higher.

The Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972, as amended from time to time (“**Gratuity Act**”), provides for payment of gratuity, to an employee, at the time of termination of his services. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than five years: (a) on his/her superannuation; (b) on his/her retirement or resignation; (c) on his/her death or disablement due to accident or disease (in this case the minimum requirement of five years does not apply).

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in factories, establishments in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more persons are employed or were employed on any day of the preceding twelve months, as the Central Government may specify by notification. The maximum amount of gratuity payable to an employee is Rupees Ten Lakh.

The Employees’ State Insurance Act, 1948

The Employees State Insurance Act, 1948 as amended from time to time (“**ESI Act**”) is an act which provides for certain benefits to employees in case of sickness, maternity and employment injury and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government other than seasonal factories) except those government employees who are in receipt of benefits substantially similar or superior to the benefits provided under the ESI Act. ESI Act requires all the employees of the establishments to which it applies to be insured in the manner provided there under the ESI Act. The employer and employees both are required to make contribution to the insurance. The return of the contribution made is required to be filed with the Employee State Insurance department.

The Minimum Wages Act, 1948

The Minimum Wages Act, 1948, as amended from time to time (“**Minimum Wages Act**”), was enacted to provide for fixing minimum rates of wages in certain employments. The consequences of failure to adhere to the minimum rates of wages fixed under the Minimum Wages Act is in the form of liability to prosecution and punishment in the form of imprisonment of up to six months and/or fines of up to Rupees Five Hundred. Further, employees having earned less than the minimum wage fixed are entitled to the payment of shortfall amounts, in addition to a compensation, which may extend up to ten times the shortfall amount.

The Payment of Wages Act, 1936

The Payment of Wages Act, 1936, as amended from time to time (“**Wages Act**”) is aimed at regulating the payment of wages to certain classes of persons employed in certain specified industries and to ensure a speedy and effective remedy against illegal deductions or unjustified delay caused in payment of wages. It contains provisions in relation to the responsibility for payment of wages, fixing of wage periods, time of payment of wages, and maintenance of registers and records. It applies to the persons employed in a factory, industrial or other establishment or in a railway, either directly or indirectly, through a sub-contractor. Further, the Wages Act is applicable to employees drawing wages up to Rupees Eighteen Thousand per month or such other higher sum on the basis of figures of the Consumer Expenditure Survey published by the National Sample Survey Organization.

The Maternity Benefit Act, 1961

Maternity Benefit Act, 1961, as amended from time to time (“**Maternity Benefit Act**”), is aimed at regulating the employment of women in certain establishments for certain periods before and after child birth and for providing for maternity benefit and certain other benefits. It applies to every

establishment being a factory, mine or plantation including any such establishment belonging to government and to every establishment wherein persons are employed for the exhibition of equestrian, acrobatic and other performances. It also applies to every shop or establishment wherein ten or more persons are employed or were employed on any day of the preceding twelve months.

According to the Maternity Benefit Act, every woman is entitled to, and her employer is liable for, the payment of maternity benefit at the rate of the average daily wage for the period of her actual absence, including the period immediately preceding the day of her delivery, the actual day of her delivery and any period immediately following that day.

The Equal Remuneration Act, 1976

The Equal Remuneration Act, 1976 as amended from time to time (“**Remuneration Act**”) along with the *Equal Remuneration Rules, 1976* aims to provide for the payment of equal remuneration to men and women workers and for the prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. According to the Remuneration Act, no employer shall pay to any worker, employed by him/her in an establishment, a remuneration (whether payable in cash or in kind) at rates less favorable than those at which remuneration is paid by him to the workers of the opposite sex in such establishment for performing the same work or work of a similar nature.

In addition, no employer shall for complying with the foregoing provisions of the Remuneration Act, reduce the rate of remuneration of any worker. No employer shall, while making recruitment for the same work or work of a similar nature, or in any condition of service subsequent to recruitment such as promotions, training or transfer, make any discrimination against women except where the employment of women in such work is prohibited or restricted by or under any law for the time being in force.

The Child Labour (Prohibition & Regulation) Act, 1986

The Child Labour (Prohibition & Regulation) Act, 1986, as amended from time to time (“**Child Labour Act**”) was enacted to prohibit the engagement of children below the age of fourteen years in certain specified occupations and processes and to regulate their conditions of work in certain other employments. No child shall be required or permitted to work in any establishment in excess of such number of hours, as may be prescribed for such establishment or class of establishments. Every child employed in an establishment shall be allowed in each week, a holiday of one whole day, which day shall be specified by the occupier in a notice permanently exhibited in a conspicuous place in the establishment and the occupier shall not alter the day so specified more than once in three months.

The Contract Labour (Regulation and Abolition) Act, 1970

The Contract Labour (Regulation and Abolition) Act, 1970, as amended from time to time (“**CLRA**”) requires establishments that employ or have employed on any day in the preceding twelve months, twenty or more workers as contract labour to be registered. The CLRA places an obligation on the principal employer of an establishment to which the CLRA applies to make an application for registration of the establishment. In the absence of registration, contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued.

To ensure the welfare and health of contract labour, the CLRA imposes certain obligations on the contractor including the establishment of canteens, rest rooms, washing facilities, first aid facilities, and provision of drinking water and payment of wages. In the event that the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time.

The Industrial Disputes Act, 1947

The Industrial Disputes Act, 1947 (“**ID Act**”), as amended from time to time, provides the procedure for investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the

appropriate Government may refer the dispute to a labour court, tribunal or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while a proceeding is pending. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workers. The ID Act provides for direct access for the workers to labour courts or tribunals in case of individual disputes and provided for the constitution of grievance settlement machineries in any establishment having twenty or more workers.

The Industrial Employment (Standing Orders) Act, 1946

The Industrial Employment (Standing Orders) Act, 1946 (“**Standing Orders Act**”), as amended from time to time, applies to every industrial establishment where hundred or more workmen are/were employed on any day of the preceding twelve months. It applies to every worker employed in an industrial establishment but excludes workers employed in a managerial or administrative capacity and workers employed in a supervisory capacity and drawing wages more than Rupees Ten Thousand per month. Under the Standing Orders Act, standing orders are to be framed in order to standardize the service conditions of the workers in industrial establishments. The standing orders are to be displayed prominently in the establishment in English and the language understood by the workmen near the entrance of the establishment and all departments.

The Trade Union Act, 1926

The Trade Union Act, 1926 as amended from time to time (“**Trade Union Act**”) provides for registration of trade unions (including association of employers) with a view to render lawful organization of labour to enable collective bargaining. The Trade Union Act also confers certain protection and privileges on a registered trade union. It applies to all kinds of unions of workers and associations of employers and aims at regularizing labour-management relations.

No trade union shall be registered unless a minimum of seven workers engaged or employed in the establishment or industry with which it is connected are the members of such trade union on the date of making of application for registration. However, a trade union shall not be registered unless at least ten per cent, or one hundred of the workers, whichever is less, engaged or employed in the establishment or industry with which it is connected are the members of the trade union on the date of making of application for registration. The trade union so formed has the right to act for the individual and/or for collective benefit of workers at different levels.

The Maharashtra Recognition of Trade Union and Prevention of Unfair Labour Practices Act, 1971

The Maharashtra Recognition of Trade Union and Prevention of Unfair Labour Practices Act, 1971 (“**MRTU & PULP**”) is applicable to every industry to which the Bombay Industrial Relations Act, 1946 and the ID Act (in which the state government is the appropriate government) are applicable. It covers every person defined as an “employee” under the Bombay Industrial Relations Act, 1946 and as a “worker” under the IDA. It seeks to provide for the recognition of trade unions which will facilitate collective bargaining; formalize rights and obligations of unions; confer powers on unrecognized unions; regulate strikes and lockouts and provide for the prevention of such activities; and constitute relevant labour judiciary institutions to deal with matters arising out of the provisions of MRTU & PULP.

The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979

The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 as amended from time to time (“**Migrant Workmen Act**”) is applicable to an establishment, which employs five or more Inter-State migrant workers through an intermediary who has recruited workers from one State for employment in an establishment situated in another State. The inter-State migrant workers, in an establishment to which the Migrant Workmen Act becomes applicable, are required to be provided with certain facilities such as housing, medical aid, travel expenses etc.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 as amended from time to time (“**SHWW Act**”) provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature.

The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of three months from the date of incident. If the establishment has less than ten employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee.

The Industries (Development and Regulation) Act, 1951

The Industries (Development and Regulation) Act, 1951 (“**IDRA**”) was enacted to implement the industrial policy. It provides for development and regulation of major industries by envisaging a balanced growth and optimum use of available resources and infrastructure. The IDRA regulates planning and future development of new undertakings on sound and balance lines as may be deemed expedient in the opinion of the Central Government. IDRA confers on the Central Government power to make rules for the registration of existing undertakings for regulating the production and development of industries specified in the schedule attached to the IDRA.

IDRA also ensures that industries do not suffer from financial mismanagement, technical inefficiency and/or operational defects. In certain cases, it provides for investigation by Central Government in cases of mismanagement and maladministration.

The Maharashtra Labour Welfare Fund Act, 1953

The Maharashtra Labour Welfare Fund Act, 1953 (“**MLWF**”) provides for the constitution of a fund for the financing of activities to promote welfare of labour in the state of Maharashtra. Any factory and establishment which is covered under the Bombay Shops and Establishments Act, 1948 (now Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 1948) and which employs at least five employees is required to make bi-annual contributions in the months of June and December every year to the Maharashtra Labour Welfare Fund with respect to each of its employees including contract labourers except those employed in managerial capacity or supervisory role drawing monthly salary of more than rupees three thousand and five hundred only. For this purpose, apart from paying its own contribution with respect to each employee covered under MLFW, the employer needs to deduct a contribution amount from the salary of the employee as well and submit such amount to the labour welfare fund. For this purpose, employers are allotted code numbers. The Government also adds some contribution with this which goes to the Labour Welfare Fund administered by a Welfare Commissioner. The employer has to apply for allotment of code number to the Welfare Commissioner, Maharashtra Labour Welfare Board.

The Maharashtra Workmen’s Minimum House Rent Allowance Act, 1983

The Maharashtra Workmen’s Minimum House Rent Allowance Act, 1983 (“**MWHRA**”) applies to all establishments and factories or employing fifty or more employees or from 1 January 1991 in the areas as classified by the Government from time to time. Every employer is enjoined to pay the workmen house rent allowance at the rate of five percent of wages (basic + dearness allowance) per month or rupees twenty only whichever is higher.

The Maharashtra Mathadi, Hamal and Other Manual Workers’ (Regulation of Employment and Welfare) Act, 1969

The Maharashtra Mathadi, Hamal and Other Manual Workers’ (Regulation of Employment and Welfare) Act, 1969 (“**MHMW**”) was enacted to regulate the employment of unprotected manual workers employed in certain employment in the State of Maharashtra including employment in

markets, and factories and other establishments, in connection with loading, unloading, stacking, carrying, weighing, measuring, filing, stitching, sorting, cleaning or such other work including work preparatory or incidental to such operations carried on by workers not covered by any entries in Schedule under Section 2 (9) of the MHMW. The MHMW makes provisions for the adequate supply and proper and full utilization of the unprotected manual workers in the scheduled employments and provides for their welfare and for health and safety measures where such employment require there measures. It also ensures that steps are taken to prevent avoidable unemployment and for matter connected herewith.

The Maharashtra Shops and Establishment (Regulation of Employment and Conditions of Service) Act, 2017

The Maharashtra Shops and Establishment (Regulation of Employment and Conditions of Service) Act, 2017 (“MSEA”) regulates the working and employment conditions of workers employed in shops and establishments including commercial establishments. MSEA is applicable to all establishment in the state of Maharashtra, employing ten or more workers and such establishments are required to obtain registration under the MSEA. The MSEA provides for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

The Legal Metrology Act, 2009

The Legal Metrology Act, 2009 (“LMA”) came into effect from April 1, 2011 replacing the Standard of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. Under the LMA, all the manufacturers of packaged merchandise are required to obtain a license from Controller, Legal Metrology, Government of India. Further, all manufacturers are required to nominate a director who would be held responsible for any act resulting in a violation of the provisions of the LMA. The LMA provides for the appointment by the Central Government of various test centers to be referred as Government Approved Test Centres for verification of weights and measures. Further, the Government has also notified the various rules made under the LMA: (i) The Legal Metrology (Packaged Commodities) Rules, 2011; (ii) The Legal Metrology (General) Rules, 2011; (iii) The legal Metrology (National Standards) Rules, 2011; (iv) the Legal Metrology (Numeration) Rules, 2011; (v) The Legal Metrology (Approval of Models) Rules, 2011; and (vi) the Indian Institute of Legal Metrology Rules, 2011.

Intellectual Property Laws

The Patents Act, 1970

The Patents Act, 1970 (“**Patents Act**”), as amended from time to time, provides for the grant of patents to protect the legal rights tied to the intellectual property in inventions. A patent gives the holder of the patent the right to prevent others from exploiting the patented invention commercially in the country where the patent has been granted. In order for a patent to be granted to an invention, it must be novel, have an inventive step and should be capable of industrial application. The Patents Act sets out inventions that are not patentable along with the form and manner of application for patents. Patents obtained in India are valid for a period of twenty years from the date of filing the application.

The Trade Marks Act, 1999

The Trade Marks Act, 1999 (“**Trademarks Act**”) read with *the Trademark Rules 2002*, as amended from time to time, governs the statutory protection of trademarks in India. Indian trademarks law permits the registration of trademarks for goods and services. Certification trademarks and collective marks are also registrable under the Trademarks Act. Applications for a trademark registration may be made for in one or more international classes. Once granted, trademark registration is valid for ten years unless cancelled. If not renewed after ten years, the mark lapses and the registration for such mark must be obtained afresh. Registered trademarks may be protected by means of an action for infringement. The owner of a registered trademark is *prima facie* regarded as the owner of the mark by virtue of the registration obtained.

Environmental Laws

The Environment (Protection) Act, 1986

The Environment Protection Act, 1986 (“**EPA**”), as amended from time to time, encompasses various environment protection laws in India. The EPA grants the Government of India the power to take any measures it deems necessary or expedient for protecting and improving the quality of the environment and preventing and controlling pollution. Penalties for violation of the EPA include imprisonment, payment of a fine, or both. Under the EPA and the Environment (Protection) Rules, 1986, a prior approval of the Ministry of Environment and Forests or the State Environment Impact Assessment Authority (“**SEIAA**”) is required, as the case may be, for the establishment of any new project and for expansion or modernization of existing projects. Obtaining of prior environment clearance includes four stages: screening, scoping, public consultation and appraisal.

An application for environment clearance is made after the prospective project or activity site has been identified, but prior to commencing construction activity or other land preparation. Certain projects which require approval from the SEIAA may not require an Environment Impact Assessment report. For projects that require preparation of an EIA report, public consultation involving public hearing and written responses is conducted by the State Pollution Control Board, prior to submission of a final EIA report. The environmental clearance (for commencement of the project) is valid for up to five years for all projects (other than mining projects), which may be further extended by the concerned regulator for up to five years.

The Water (Prevention and Control of Pollution) Act, 1974

The Water (Prevention and Control of Pollution) Act, 1974 (“**Water Act**”), as amended from time to time, aims to prevent and control water pollution and to maintain or restore water purity. The Water Act provides for the formation of one central pollution control board, as well as various state pollution control boards to implement its provisions. Under the Water Act, any person intending to establish any industry, operation or process or any treatment and disposal system likely to discharge sewage or other pollution into a water body, is required to obtain the prior consent of the relevant state pollution control board.

The Air (Prevention and Control of Pollution) Act, 1981

The Air (Prevention and Control of Pollution) Act, 1981 (“**Air Act**”), as amended from time to time, aims to prevent, control and abate air pollution, and stipulates that no person shall, without prior consent of the relevant state pollution control board, establish or operate any industrial plant that emits air pollutants in an air pollution control area. The central pollution control board and state pollution control boards constituted under the Water Act perform similar functions under the Air Act as well. Not all provisions of the Air Act apply automatically to all parts of India, and the state pollution control board must notify an area as an “air pollution control area” before the restrictions under the Air Act applies.

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

The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 (“**Hazardous Wastes Rules**”), as amended from time to time, aims to regulate the proper collection, reception, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose such waste without adverse effect on the environment, including through the proper collection, treatment, storage and disposal of such waste. Every occupier and operator of a facility generating hazardous waste must obtain an approval from the state pollution control board. The occupier, the transporter and the operator are liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste.

The Bio-Medical Waste Management Rules, 2016

The Bio-Medical Waste Management Rules, 2016 (“**BMW Rules**”) apply to all persons who generate, collect, receive, store, transport, treat, dispose or handle bio-medical waste in any form including, *inter-alia* hospitals, nursing homes and clinics. The BMW Rules mandate every occupier of

an institution and premises generating bio-medical waste to, *inter-alia*, take steps to ensure that such waste is handled without any adverse effect to human health and environment and to set up bio-medical waste treatment facilities as prescribed under the BMW Rules, including pre-treating laboratory and microbiological waste, and providing training to health care workers and others involved in handling bio-medical waste. 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 Public Liability Insurance Act, 1991

The Public Liability Insurance Act, 1991 as amended from time to time (“**PLIA**”) 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 PLIA 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 PLIA mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

Taxation Laws

The Maharashtra Value Added Tax Act, 2002

The Maharashtra Value Added Tax Act, 2002 as amended from time to time (“**MVAT**”) is an act to levy tax on sale and purchase of goods in the state of Maharashtra. As per the provisions of the MVAT, a dealer is liable to pay tax on the basis of turnover of sales within the state. The term dealer has been defined under section 2(8) of the MVAT. It includes all person or persons who buys or sells goods in the state whether for commission, remuneration or otherwise in the course of their business or in connection with or incidental to or consequential to engagement in such business. The term includes a Broker, Commission Agent, Auctioneer, Public Charitable Trusts, Clubs, Association of Persons, Departments of Union Government and State Government, Customs, Port Trusts, Railways, Insurance & Financial Corporations, Transport Corporations, Local authorities, Shipping and Construction Companies, Airlines, Advertising Agencies and also any corporation, company, body or authority, which is owned, constituted or subject to administrative control of the Central Government, any State Government or any local authority.

The Central Sales Tax Act, 1956

The main object of this the Central Sales Tax Act, 1956 (“**CST Act**”) is to formulate principles for determining (a) when a sale or purchase takes place in the course of trade or commerce (b) when a sale or purchase takes place outside a State (c) when a sale or purchase takes place in the course of imports into or export from India, to provide for levy, collection and distribution of taxes on sales of goods in the course of trade or commerce, to declare certain goods to be of special importance trade or commerce and specify the restrictions and conditions to which state laws imposing taxes on sale or purchase of such goods of special importance (called as declared goods) shall be subject. The CST Act imposes the tax on interstate sales and states the principles and restrictions as per the powers conferred by Constitution of India.

The Customs Act, 1962

The provisions of the Customs Act, 1962 as amended from time to time (“**Customs Act**”) and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act, 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administrated by Central Board of Excise and Customs under the Ministry of Finance.

The Goods and Services Tax Act, 2017

The Goods and Services Act, 2017 (“**GST Act**”) has introduced the GST regime with effect from July 1, 2017. The GST Act a comprehensive, multi-stage, destination-based tax that is levied on every value addition. GST tax is an indirect tax levied on the supply of goods and services. GST Law has replaced many indirect tax laws that previously existed in India which include the Excise Act, Value Added Tax, luxury tax, sales tax, etc.

The Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975

The Maharashtra State Tax On Professions, Trades, Callings And Employments Act, 1975 as amended from time to time (“**Professional Tax**”) slabs are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The Professional Tax is charged as per List II of the Constitution of India. The professional taxes are classified under various tax slabs in India. The states of Maharashtra, Karnataka, Tamil Nadu and Andhra Pradesh have their own professional tax structure and tax is levied on every person who exercises any profession or calling or is engaged in any trade or holds any appointment, public or private, or is employed in any manner in state is liable to pay the Professional Tax at the specified rate provided that no tax shall be payable by the person who have attained sixty five year of age and handicapped person with more than 40% disability or parent of a physically disabled or mentally retarded child. The tax payable under the State Acts as mentioned above by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

Anti-Trust Laws

Competition Act, 2002

The Competition Act, 2002, as amended from time to time (“**Competition Act**”) aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act prohibits anti-competitive agreements, abuse of dominant position and regulates combinations (mergers and acquisitions) with a view to ensure that there is no adverse effect on competition in the relevant market in India.

Under the Competition Act, the Competition Commission of India has powers to pass directions / impose penalties in cases of anti-competitive agreements, abuse of dominant position and combinations, provided the penalty is not more than ten per cent of the average turnover of the last three years.

General Laws

In addition to the above, certain general principles from the Indian Contract Act, 1872, the Specific Relief Act, 1963, the Sale of Goods Act, 1930, the Consumer Protection Act, 1986 shall be applicable to the Company.

The Indian Contract Act, 1872 codifies the way in which a contract may be entered into, executed, implemented and actions to be taken on breach of the same. The Specific Relief Act, 1963 applies to both movable and immovable property and is complementary to the Indian Contract Act, 1872. The Sale of Goods Act, 1930 relates to the sale and agreement to sell as contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price and provides that the contract for sale may be absolute or conditional. The Consumer Protection Act, 1986 aims at

protecting the interests of the consumers and for the purpose of making the provisions for the establishment of authorities for the settlement of consumer disputes in relation to defect in goods or services, unfair and restrictive trade practices etc.

Further, the Companies Act 1956 or the Companies Act, 2013 (*as may be applicable/amended/modified from time to time*) regulates the formation, financing, functioning and winding up of companies. It provides an overall mechanism for the organizational, financial and managerial aspects of the companies.

HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Brief History and Background

Our Company was incorporated on March 8, 1995 as “Medibios Laboratories Private Limited” vide Registration no. 11- 86180 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Maharashtra at Mumbai. Subsequently, our Company was converted into a Public Limited Company pursuant to a Special Resolution passed by the Members of our Company in the Extraordinary General Meeting held on February 9, 2018 and the name of our Company was changed to Medibios Laboratories Limited vide Fresh Certificate of Incorporation consequent upon conversion issued by Registrar of Companies, Maharashtra at Mumbai dated March 7, 2018. The Corporate Identification Number of our Company is U24230MH1995PLC086180.

Mahindra Jain, Savita Jain, Lalbahadur Yadav and Kirti Kanther are the initial subscribers of our Company. Tushar Korday, Shailaja Korday, Rajendra Gole and Jyoti Gole are the present promoters of the Company.

Business and Management

For information on our Company’s profile, activities, services, market, growth, technology, managerial competence, standing with reference to prominent competitors, major suppliers, please refer the sections entitled “*Industry*”, “*Our Business*”, “*Our Management*”, “*Financial information of the Company*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 119, 131, 195 and 196 respectively.

Address of Registered Office:

The Registered Office of the Company is situated at 102, Shree Mangalam, 1st Floor, Kulupwadi, Borivali(E) Mumbai 400066, Maharashtra, India

Changes in Registered Office of the Company since incorporation

The Company changed its Registered Office from 1, Shethi Sadan, Plot No. 221, Jawahar Nagar, Goregaon West, Mumbai, 400062 to 102, Shree Mangalam, 1st Floor, Kulupwadi, Borivali(E) Mumbai 400066, Maharashtra, India pursuant to the Board Resolution passed on 27th January, 1997.

Our Main Object

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

- 1) To acquire or takeover either whole or in part the existing/running business of the partnership firm under the name and style, M/s Medibios Laboratories together with all its assets, liabilities, rights tenancy goodwill, quotas, licenses, services, contracts, supply contracts, consequent upon the complete takeover of the firm, the firm shall stand dissolved.
- 2) To carry on the business of manufacturing trading, importing and exporting of medicines drugs chemical and pharmaceuticals and manufacture of bulk drugs, pharmaceutical, other chemical veterinary products, cosmetic product chemist, druggist, importers, processors, buyers, sellers, retailers and manufacturing products for others.

Changes in Memorandum of Association

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

Sr. No.	Particulars	Date of Meeting	Type of Meeting
1.	The Authorised Share Capital increased from Rs. 25,00,000 (Rupees Twenty Five Lakhs) divided into 2,50,000 (Two Lakh Fifty Thousand) Equity Shares of Rs. 10/- each to Rs. 75,00,000 (Rupees Seventy Five Lakh Only) divided into 7,50,000 (Seven Lakh Fifty Thousand) Equity shares of Rs. 10/- each .	December 15, 1997	EGM
2.	The Authorised Share Capital increased from Rs.75,00,000 (Rupees Seventy Five Lakhs) divided into 7,50,000 (Seven Lakh Fifty Thousand Only) Equity Shares of Rs. 10/- each to Rs. 2,50,00,000 (Two Crore Fifty Lakh Only) divided into 25,00,000 (Twenty Five lakhs) Equity Shares of Rs. 10 each .	February 1, 2002	EGM
3.	The Authorised Share Capital increased from Rs. 2,50,00,000 (Rupees Two Crore Fifty Lakhs) divided into 25,00,000 (Twenty Five lakhs) Equity Shares of Rs. 10/- each to Rs. 5,00,00,000 (Rupees Five Crore) divided into 50,00,000 (Fifty lakhs) Equity Shares of Rs. 10 each	December 27, 2013	EGM
4.	The Authorised Share Capital increased from Rs. 5,00,00,000 (Rupees Five Crore) divided into 50,00,000 (Fifty lakhs) Equity Shares of Rs. 10 each to 7,50,00,000 (Rupees Seven Crore Fifty Lakhs) divided into 75,00,000 (Seventy five Lakhs) Equity Shares of Rs. 10/- each.	November 3, 2014	EGM
5.	The Authorised Share Capital increased from Rs. 7,50,00,000 (Rupees Seven Crore Fifty Lakhs) divided into 75,00,000 (Seventy Five lakhs) Equity Shares of Rs. 10/- each to 10,00,00,000 (Rupees Ten Crore) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- each.	February 9, 2018	EGM
6.	Name clause of our Company was changed as a result of special resolution passed by the Members of our Company in the Extraordinary General Meeting held for conversion of our Company to public limited. Name of our Company is changed from Medibios Laboratories Private Limited to Medibios Laboratories Limited	February 9, 2018	EGM

Key Events and Mile Stones

Year	Key Events / Milestone / Achievements
1995	Incorporation of the Company in the name and style of “Medibios Laboratories Private Limited”
1995	Takeover of “M/s. Medibios Laboratories” – a partnership firm.
1996	Acquisition of Plot from Maharashtra State Finance Corporation on behalf of Tarapur Silk Mills
	Acquisition of control over the Company by Tushar Korday, Anil Korday, Rajendra Gole & Fattesinh Gole by way of purchasing entire Share Capital of the Company from its original subscriber.
2002	Obtained WHO GMP Certification in Tablets, Powders and Capsules section.
2003	Exports to Philippines, Malaysia, Vietnam started through Merchant Exporters.
2008	Acquired adjoining plot of about 40,000 sq ft for expansion of Medibios existing facility.
2014	Medibios invested USD 200,000 in Medvin Pharma Ltd, Uganda under Joint Venture for better export exposure & distributorship.
2015	Products range registered in Far East Asian countries, South America, etc.

Acquisition of Business/Undertakings & Amalgamation

Our Company has taken over “M/s. Medibios Laboratories” in the year 1995. Except that, there has been no acquisition of business/undertakings, mergers, amalgamation since incorporation.

Holding Company

As on the date of the Draft Prospectus, our Company is not a subsidiary of any company.

Subsidiary of our Company

Our Company does not have any Subsidiary within the meaning of Section 2(87) of the Companies Act 2013, as on the date of the Draft Prospectus.

Capital Raising

For details in relation to our capital raising activities through equity, please refer to the chapter titled “*Capital Structure*” beginning on page 76 of this Draft Prospectus.

Time and Cost overruns in setting up projects

There has been no time / cost overrun in setting up projects by our Company.

Injunction or restraining order

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

Revaluation of Assets

Our Company has not revalued its assets since incorporation.

Defaults or Rescheduling of borrowings with financial institutions/banks and Conversion of loans into Equity Shares

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of the Draft Prospectus. Furthermore, none of the Company's loans have been converted into equity in the past except conversion of unsecured loans from Director and their relatives.

Lock-out or strikes

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lockouts. As on the date of this Draft Prospectus, our employees are not unionized.

Shareholders of our Company

Our Company has Eleven (11) shareholders as on the date of the Draft Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled “*Capital Structure*” beginning on page 76 of this Draft Prospectus.

Changes in the Management

For details of change in Management, please see chapter titled “*Our Management*” on page 170 of the Draft Prospectus.

Changes in activities of our Company during the last five (5) years

Except as stated above, there has been no change in the business activities of our Company during last five (5) years from the date of the Draft Prospectus which may have had a material effect on the profit/loss account of our Company except as mentioned in Material development in chapter titled “*Management’s discussion and analysis of financial conditions & results of operations*” beginning on page 196 of the Draft Prospectus.

Shareholders Agreements

As on the date of the Draft Prospectus, there are no subsisting shareholders agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same.

Collaboration Agreements

As on the date of the Draft Prospectus, our Company is not a party to any collaboration agreements.

Material Agreement

Except as mentioned in the chapter titled “Material Documents and Contracts” in this Draft Prospectus, our Company has not entered into any material agreement, other than the agreements entered into by it in normal course of its business.

Joint Venture Agreement

Except the agreements entered in the ordinary course of business carried on or intended to be carried on by us, we have not entered into any other Joint Venture agreement.

Strategic Partners

Except as mentioned in the Draft Prospectus, Our Company does not have any strategic partners as on the date of the Draft Prospectus.

Financial Partners

Our Company does not have any financial partners as on the date of the Draft Prospectus.

OUR MANAGEMENT

The following table sets forth the details regarding our Board of Directors of our Company as on the date of filing of this Draft Prospectus:

Sr. No.	Name, Father's, Name Age, Designation, Address, Experience, Occupation, Nationality & DIN	Date of Appointment and Terms	Other Directorships
1.	<p>Tushar Korday Father Name: Anil Korday Age: 62 Years Designation: Chairman and Managing Director Address: 165, Vaibhav Abhinav Nagar CHS, Abhinav Nagar Road No 6, Mumbai – 400066, Maharashtra, India Occupation: Business Nationality: Indian DIN:00738316</p>	<p>Originally appointed as Managing Director on the Board w.e.f. May 14, 2010</p> <p>Re-appointed as Chairman and Managing Director in EGM w.e.f. for a period of 5 years.</p>	<p>1) Emil Pharmaceutical Industries Pvt Ltd 2) Emil Holdings Private Limited 3) Avenir Laboratories Private Limited 4) Biovy Healthcare Private Limited</p>
2.	<p>Rajendra Gole Father Name : Fattesingh Gole Age: 61 years Designation: Whole Time Director Address:14/372, Bharadwaj, Roop Nagar, New MIG Colony, Station Road, Bandra [East], Mumbai - 400 051, Maharashtra, India Experience: 5 Years Occupation: Business Nationality: Indian DIN: 00738346</p>	<p>Appointed as Whole Time Director on the Board w.e.f. March 20, 2018 for a period of 5 years.</p>	<p>1) Emil Pharmaceutical Industries Private Ltd 2) Emil Holdings Private Ltd 3) Avenir Laboratories Private Ltd</p>
3.	<p>Yogesh Gole Father Name : Rajendra Gole Age: 34 years Designation: Whole Time Director Address:14/372, Bharadwaj, Roop Nagar, New MIG Colony, Station Road, Bandra [East], Mumbai - 400 051, Maharashtra, India Occupation: Business Nationality: Indian DIN: 03443157</p>	<p>Originally appointed as Director on the Board w.e.f. November 1, 2011</p> <p>Designated as Whole Time Director in EGM w.e.f. March 20, 2018 for a period of 5 years.</p>	<p>1) Biovy Healthcare Private Limited</p>

Sr. No.	Name, Father's, Name Age, Designation, Address, Experience, Occupation, Nationality & DIN	Date of Appointment and Terms	Other Directorships
4.	<p>Radheshyam Rohra Father Name: Sobhraj Rohra Age: 61 Designation: Independent Director Address: 4/A-603 Lake Palace, Powai Vihar Complex, Powai Mumbai- 400 076 MH IN Occupation: Business Nationality: Indian DIN: 00163318</p>	Appointed as Independent Director on the Board w.e.f. March 20, 2018	1) Aarti Industries Ltd 2) Mepha Pharma India Pvt. Ltd
5.	<p>Sharad Sheth Father Name: Kantilal Sheth Age: 58 Designation: Independent Director Address: A/1501 Pratap Heritage, L.T. Road, Opposite Veer Savarkar Garden, Borivali West, Mumbai – 400 092 Occupation: Professional Nationality: Indian DIN: 08090542</p>	Appointed as Independent Director on the Board w.e.f. March 20, 2018	Nil
6.	<p>Meena Kapadi Father Name : Sanjiv Kapadi Age: 60 Designation: Independent Director Address: 4A/Ameya CHS, New Off Link Road, Y.M.C.A., D.N. Road, Andheri West, Mumbai – 400 053 Occupation: Professional Nationality: Indian DIN: 08074814</p>	Appointed as Independent Director on the Board w.e.f. March 20, 2018	Nil

BRIEF PROFILE OF OUR DIRECTORS

Tushar Korday, aged 62 years is Promoter, Chairman and Managing Director of our Company. He has more than three decades of experience in pharmaceutical industry. He is Bachelors of Technology in Chemical Engineering from Indian Institute of Technology, Bombay and Post-Graduation Diploma in Management Studies from Indian Institute of Management, Ahmedabad. He currently heads Marketing, Financial and Administrative functions of our Company. He is a guiding force behind the strategic decisions of our Company and has been instrumental the overall strategy in association with other promoters. Besides our Company, he is a council member of committee of administration of Pharmaceutical Export Promotion Council of India

Rajendra Gole, aged 61 years, is Promoter and Wholetime Director of our Company. He has more than three decades of experience in pharmaceutical industry. He is bachelors of Pharmacy from

University of Bombay and diploma in Administrative Management. He currently heads Production and Control functions of our Company. He is a guiding force behind the all manufacturing decisions of our Company and has been instrumental the overall strategy in association with other promoters. Besides our Company, he is a council member of TIMA

Yogesh Gole, aged 34 years is Wholetime Director of the Company. He has been associated as a Director of the Company since November 1, 2011 and as Whole-time Director w.e.f. March 20, 2018. He has an experience of more than five years in Pharmaceutical Industry. He currently heads our Regulatory Affairs and International Marketing function of our Company.

Sharad Sheth, aged 58 years is an Independent Director of the Company. He is a Chartered Accountant by qualification and is a law graduate from Mumbai University. He has experience of more than 30 years in the field of Accountancy, Internal and Statutory Audit, Bank Audit, Direct & Indirect Tax, International Taxation, Corporate Law Matters, Financial Planning, Handling Assessment and Appeal Proceedings before CIT and Tribunals. He has successfully served as Deputy Conveyer of Borivali Central (CPE) Study Circle (BCSC) of WIRC in the year 2014 and presently is core-committee member of BCSC of WIRC.

Radheshyam Rora, aged 61 years is an Independent Director of our Company. He is Bachelors of Technology in Chemical Engineering from Institute of Technology, Varanasi & Post Graduate Diploma in Management from Indian Institute of Management, Ahmedabad. He has more than 30 years of experience in working with various reputed companies across India and at present he is a Proprietor in Sunergy Partners. He is associated with the Company as an Independent Director since March 20, 2018.

Meena Kapadi, aged 60 years is an Independent Director of the Company. She is a Qualified Chartered Accountant & has more than 30 years of experience in the field of Accounts and Taxation. She was Chief Financial Officer of BOI Shareholding Limited. She is been associated with the Company since March 20, 2018 as an Independent Director.

Confirmations

- None of our Directors is or was a director of any listed company during the last five years preceding the date 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 such company.
- None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the tenure of their directorship in such company.
- None of the above mentioned Directors are on the RBI list of willful defaulters as on the date of filling of this Draft Prospectus.
- Further, our Company, our Promoters, persons forming part of our Promoter Group, Directors and person in control of our Company has/ have not been not debarred from accessing the capital market by SEBI or any other Regulatory Authority.

NATURE OF ANY FAMILY RELATIONSHIP BETWEEN ANY OF OUR DIRECTORS:

The present Directors in our Board are related to each other, details of which are as follows:-

Sr. No.	Name Of Director	Name of Director and Relation with Director
1.	Rajendra Gole	Yogesh Gole – Son
2.	Yogesh Gole	Rajendra Gole – Father

Arrangements with major Shareholders, Customers, Suppliers or Others

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our Directors were selected as Directors or members of the senior management.

Service Contracts

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

Details of Borrowing Powers of Directors

Our Company has passed a Special Resolution in the Extra Ordinary General Meeting of the members held on February 9, 2018 authorizing the Board of Directors of the Company under Section 180 (1) (c) of the Companies Act, 2013 to borrow from time to time all such money as they may deem necessary for the purpose of business of our Company notwithstanding that money borrowed by the Company together with the monies already borrowed by our Company may exceed the aggregate of the paid up share capital and free reserves provided that the total amount borrowed by the Board of Directors shall not exceed the sum of Rs. 7,000.00 lakhs.

Compensation of our Managing Director and Whole Time Directors

The compensation payable to our Managing Director and Whole-time Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof)

The following compensation has been approved for Managing Director and Whole Time Directors:

Tushar Korday:

Terms of Appointment & Remuneration	<ul style="list-style-type: none">(i) A salary of Rs. 30,00,000 lakhs (Rupees Thirty Lakhs only) annually, which may be reviewed by the Board.(ii) Reimbursement of medical and hospitalization expenses of the Managing Director and his family subject to a ceiling of one month salary in a year.(iii) Leave Travel Allowance for the Managing Director and his family once in a year in accordance with the Company policy.(iv) Bonus for the financial year, at the discretion of the Company, with shareholder approval.(v) Reimbursement of expenses incurred by him in Purchase of newspapers, magazines, books and periodicals in accordance with the Company policy.(vi) Reimbursement of expenses incurred by him on account of business of the Company in accordance with the Company policy.(vii) Reimbursement of any other expenses properly incurred by him in accordance with the rules and policies of the Company.(viii) Provision of chauffer driven car for the use on Company's business, meal Coupons and telephone at residence.(ix) The Managing Director shall be entitled to such increment from time to time as the Board may by its discretion determine.
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Rajendra Gole:

Terms of Appointment & Remuneration	<ul style="list-style-type: none">(i) A salary of Rs. 30,00,000 lakhs (Rupees Thirty Lakhs only) annually, which may be reviewed by the Board.(ii) Reimbursement of medical and hospitalization expenses of the
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	<p>Managing Director and his family subject to a ceiling of one month salary in a year.</p> <p>(iii) Leave Travel Allowance for the Whole-time Director and his family once in a year in accordance with the Company policy.</p> <p>(iv) Bonus for the financial year, at the discretion of the Company, with shareholder approval.</p> <p>(v) Reimbursement of expenses incurred by him in Purchase of newspapers, magazines, books and periodicals in accordance with the Company policy.</p> <p>(vi) Reimbursement of expenses incurred by him on account of business of the Company in accordance with the Company policy.</p> <p>(vii) Reimbursement of any other expenses properly incurred by him in accordance with the rules and policies of the Company.</p> <p>(viii) Provision of chauffer driven car for the use on Company's business, meal Coupons and telephone at residence.</p> <p>(ix) The Wholetime Director shall be entitled to such increment from time to time as the Board may by its discretion determine.</p>
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Yogesh Gole:

Terms of Appointment	<p>(i) A salary of Rs. 30.00 lakhs (Rupees Thirty Lakhs only) annually, which may be reviewed by the Board.</p> <p>(ii) Reimbursement of medical and hospitalization expenses of the Managing Director and his family subject to a ceiling of one month salary in a year.</p> <p>(iii) Leave Travel Allowance for the Whole-time Director and his family once in a year in accordance with the Company policy.</p> <p>(iv) Bonus for the financial year, at the discretion of the Company, with shareholder approval.</p> <p>(v) Reimbursement of expenses incurred by him in Purchase of newspapers, magazines, books and periodicals in accordance with the Company policy.</p> <p>(vi) Reimbursement of expenses incurred by him on account of business of the Company in accordance with the Company policy.</p> <p>(vii) Reimbursement of any other expenses properly incurred by him in accordance with the rules and policies of the Company.</p> <p>(viii) Provision of chauffer driven car for the use on Company's business, meal Coupons and telephone at residence.</p> <p>(ix) The Wholetime Director shall be entitled to such increment from time to time as the Board may by its discretion determine.</p>
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Bonus or Profit Sharing Plan for our Directors

We have no bonus or profit sharing plan for our Directors.

Sitting Fee

The Articles of Association of our Company provides for payment of sitting fees to Directors for attending the meeting of the Board or a committee thereof which shall be decided by the Board of Directors from time to time within the applicable maximum limits.

Shareholding of our Directors in our Company

Sr. No.	Name of Director	No. of Shares held	Holding in %
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1.	Tushar Korday	6,64,548	9.35
2.	Rajendra Gole	5,55,138	7.81
3.	Yogesh Gole	1,14,000	1.60

We do not have any subsidiary and associate company as defined under Section 2(87) & 2(6) of the Companies Act, 2013.

Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.

Interest of Directors

All the Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board of Directors or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, please refer- ***“Compensation of our Managing Director a Whole time Directors”*** above, beginning on page 170 of this Draft Prospectus

Our Directors may also be regarded as interested their shareholding and dividend payable thereon, if any, Our Directors are also interested to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our Director are also interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/Members/Partners. Further our Directors are also interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/Members/Partners.

All Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any Company in which they hold Directorships or any partnership firm in which they are partners.

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 Draft 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.

Except as stated in this section ***“Our Management”*** or the section titled ***“Financial information of the Company - Related Party Transactions”*** beginning on page 170 and 195 respectively of this Draft Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

Interest in the property of Our Company

Except as disclosed in the chapters titled ***“Our Business and “Financial Information of the Company – Related Party Transactions”*** on page 131 and 195 respectively of this Draft Prospectus, our Directors do not have any interest in any property acquired two years prior to the date of this Draft Prospectus.

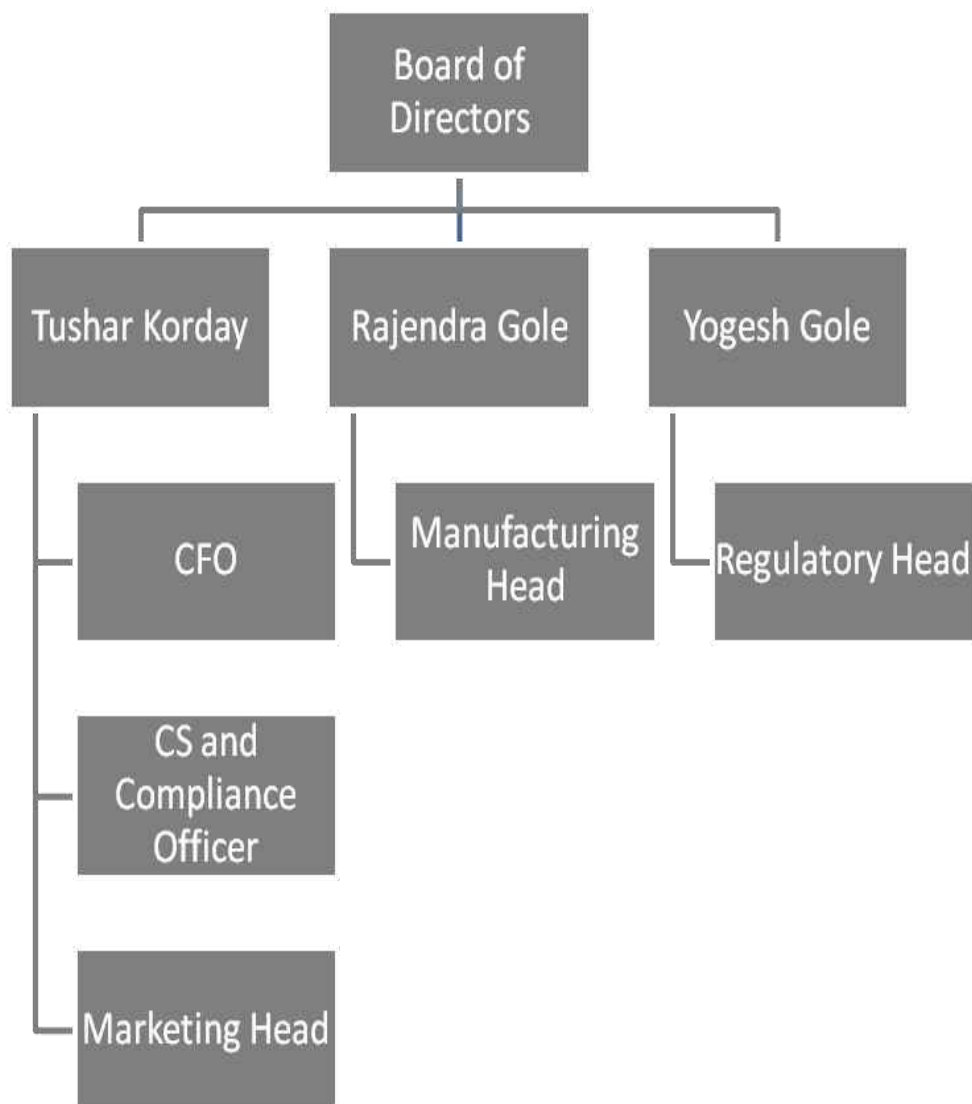
CHANGES IN BOARD OF DIRECTORS IN LAST 3 YEARS

Sr. No.	Name	Date of Change	Reasons for Change
1	Tushar Korday	March 20, 2018	Re-appointment as Managing Director
2	Yogesh Gole	March 20, 2018	Re-appointment as Whole Time Director
3	Shailaja Korday	March 20, 2018	Cessation
4	Jyoti Gole	March 20, 2018	Cessation
5	Rajendra Gole	March 20, 2018	Appointment as Whole Time Director
6	Sharad Sheth	March 20, 2018	Appointment as Independent Director

Sr. No.	Name	Date of Change	Reasons for Change
7	Shyam Rohra	March 20, 2018	Appointment as Independent Director
8	Meena Kapadi	March 20, 2018	Appointment as Independent Director

ORGANISATION STRUCTURE

The following chart depicts our Management Organization Structure:-



COMPLIANCE WITH CORPORATE GOVERNANCE

The provisions of the SEBI Listing Regulations with respect to corporate governance will be applicable to our Company immediately upon the listing of Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of applicable regulations, specifically the SEBI Listing Regulations, the Companies Act, 2013 and the SEBI (ICDR) Regulations, in respect of corporate governance particularly in relation to constitution of the Board and committees of our Board.

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, each as required under law. Our Board of Directors is constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations.

The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas. Currently, our Company has six (6) Directors. Out of six (6) directors, three (3) are Executive Director and three (3) are Independent Directors. In compliance with the requirements of Regulation 17 of the SEBI (LODR) Regulations, we have three (3) Independent Directors on the Board, in addition to three (3) Executive Directors. In compliance with the provisions of the Companies Act, 2013 at least two-third of our Directors, other than our Independent Directors, are liable to retire by rotation. The details of i) Audit Committee; ii) Nomination and Remuneration Committee; and iii) Stakeholders Relationship Committee committees are set out below. In addition to the committees of the Board detailed below, our Board of Directors may, from time to time constitute committees for various functions.

Audit Committee

Pursuant to section 177 of the Companies Act, 2013, our Company has constituted an Audit Committee of the Board of Directors on March 20, 2018 comprising of following members:

Name of the Director	Designation	Nature of Directorship
Sharad Sheth	Chairman	Independent Director
Radheshyam Rohra	Member	Independent Director
Meena Kapadi	Member	Independent Director

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to furnish clarifications to the shareholders in any matter relating to accounts. The Board of Directors while constituting the Committee has decided the terms of reference under which the Committee shall operate.

The scope of the Audit Committee shall include the following:

1. Oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors of our Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;

- Disclosure of any related party transactions; and g. Modified opinion(s) in the draft audit report.
5. Reviewing, the quarterly financial statements with the management before submission to the Board for approval;
 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of our Company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of our Company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Monitoring the end use of funds raised through public offers and related matters;
 13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 14. 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;
 15. Discussion with internal auditors of any significant findings and follow up there on;
 16. 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;
 17. Discussion with statutory auditors before the commencement of the audit, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 19. To establish and review the functioning of the whistle blower mechanism;
 20. Approval of appointment of the chief financial officer (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 21. Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the Companies Act, 2013 or the SEBI Listing Regulations or by any other regulatory authority; and
 22. Review of (1) management discussion and analysis of financial condition and results of operations; (2) statement of significant related party transactions (as defined by the audit committee), submitted by management; (3) management letters / letters of internal control weaknesses issued by the statutory auditors; (4) internal audit reports relating to internal control weaknesses; (5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; (6) statement of deviations including (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

Nomination and Remuneration Committee

Pursuant to section 178 of the Companies Act, 2013, our Company has constituted a Nomination and Remuneration Committee of the Board of Directors on March 20, 2018 comprising of following members:

Name of the Director	Designation	Nature of Directorship
Radheshyam Rohra	Chairman	Independent Director
Meena Kapadi	Member	Independent Director

Sharad Sheth	Member	Independent Director
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The Board of Directors while constituting the Committee has decided the terms of reference under which the Committee shall operate. Following is the summary of the terms of reference:

1. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
2. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees and while formulating this policy ensure that:
 - Level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run our 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 our Company and its goals and ensure that the policy is disclosed in the Board's report.
3. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
4. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; and 5. Devising a policy on diversity of the board of directors.

Stakeholder and Relationship Committee

Pursuant to section 178 of the Companies Act, 2013, our Company has constituted a Stakeholder and Relationship Committee of the Board of Directors on March 20, 2018 comprising of following members:

Name of the Director	Designation	Nature of Directorship
Meena Kapadi	Chairman	Independent Director
Sharad Sheth	Member	Independent Director
Radheshyam Rohra	Member	Independent Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholder Relationship Committee. The scope and function of the Stakeholder Relationship Committee and its terms of reference shall include the following:

1. Resolving the grievances of the shareholders of our Company including complaints related to transfer of shares, non- receipt of annual report and non-receipt of declared dividends;
2. Investor relations and redressal of grievances of security holders of our Company in general and relating to non-receipt of dividends, interest, non- receipt of balance sheet, etc.;
3. Approve requests for security transfers and transmission and those pertaining to rematerialisation of securities /subdivision/ consolidation/ of shares, issue of renewed and duplicate share/debenture certificates, etc.; and
4. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

Corporate Social Responsibility Committee

Pursuant to the provision of Section 135 of the Companies Act, 2013 and Schedule VII, the Board of Directors of the Company has constituted a Corporate Social Responsibility Committee comprising of following members:

Name of the Director	Designation	Nature of Directorship
Radheshyam Rohra	Chairman	Independent Director

Name of the Director	Designation	Nature of Directorship
Tushar Korday	Member	Managing Director
Meena Kapadi	Member	Independent Director
Sharad Sheth	Member	Independent Director

Schedule VII of the Companies Act, 2013 has illustrated few activities which will constitute to the compliances of the provision of CSR if the Company expense in such activities. The Board of Director so formed to undertake the below mentioned tasks (singly or in combination of):-

1. To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by our Company as specified in Schedule VII of the Companies Act, 2013;
2. To recommend the amount of expenditure to be incurred on the activities;
3. To monitor the CSR Policy of our Company from time to time;
4. To monitor the CSR activities undertaken by our Company, which shall be as per the CSR Policy, as projects or programs or activities undertaken in India (either new or ongoing), excluding activities undertaken in its normal course of business;
5. To provide a report on CSR activities to the Board of our Company;
6. To be responsible for the implementation and monitoring of CSR Policy, this shall be in compliance with CSR objectives and Policy of our Company; and
7. To ensure the compliance of Section 135 read with Schedule VII of Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 and subsequent amendments thereto.

Policy on disclosures and internal procedure for prevention of insider trading

The provisions of regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME platform of NSE. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. Further, Board of Directors at their meeting held on February 19, 2018 have approved and adopted the policy on insider trading in view of the proposed public issue. Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

Policy for determination of materiality & materiality of related party transactions and on dealing with related party transactions

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on SME Platform of NSE. We shall comply with the requirements of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 on listing of Equity Shares on the SME platform of NSE. The Board of Directors at their meeting held on February 19, 2018 have approved and adopted the policy for determination of materiality and determination of materiality of related party transactions and on dealing with related party transactions.

Our Key Managerial Personnel

Our Company is supported by a well-laid team having good exposure to various operational aspects of our line of business. A brief about the Key Managerial Personnel (except directors) of our Company is given below:

Sangeeta Khemka, 38 years, is the Company Secretary and Compliance Officer of our Company. She has obtained the degree of Bachelors of Commerce University of Calcutta. She has nearly four 8 years of experience and is responsible for compliance with statutory and regulatory requirements and for ensuring that decisions of our Board are implemented Company. She has been associated with our Company since February 19, 2018. She is a member of Institute of Company Secretaries of India.

Sharvari Sawant, 27 years, is the Chief Financial Officer of our Company. She has been associated with our Company since February 19, 2018. She is a member of Institute of Chartered Accountants of India.

Relationship between Key Managerial Personnel

There is no relationship between Key Managerial Personnel (except Directors)

We confirm that:

- a. All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- b. There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel have been recruited.
- c. In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the period ended January 31, 2018
- d. Except for the terms set forth in the appointment Letters/Service Agreements the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- e. Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.
- f. None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Draft Prospectus except as under:
- g. Presently, we do not have ESOP/ESPS scheme for our employees.
- h. The turnover of KMPs is not high, compared to the Industry to which our Company belongs.

Payment of Benefits to Officers of our Company (non-salary related)

Except for any statutory payments made by our Company upon termination of services of its officer or employees, our Company has not paid any sum, any non-salary amount or benefit to any of its officers or to its employees including amounts towards super annuation, ex-gratia/rewards.

Changes in the Key managerial Personnel in last three years:

There have been no changes in the Key Managerial Personnel of our Company during the last three year except as stated below:

Sr. No.	Name	Designation	Date of Appointment	Reasons
1.	Sangeeta Khemka	Company Secretary	February 19, 2018	Appointment
2.	Sharvari Sawant	Chief Financial Officer	February 19, 2018	Appointment

Interest of Key Managerial Personnel in our Company

Other than as disclosed under this section under "*Our Management - Interest of our Directors*" and "*Our Management – Shareholding of Key Management Personnel*" beginning on pages 170 respectively of this Draft Prospectus, our Key Management Personnel 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 and reimbursement of expenses incurred by them during the ordinary course of business.

The Key Management Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares held by them.

The Key Management Personnel are not entitled to any contingent or deferred compensation

OTHER BENEFITS TO OUR KEY MANAGERIAL PERSONNEL

Except as stated in this Draft Prospectus, there are no other benefits payable to our Key Managerial Personnel.


EMPLOYEES


The details about our employees appear under the Paragraph titled —Our Employees in Chapter Titled — ***“Our Business”*** beginning on page 131 of this Draft Prospectus.


OUR PROMOTERS AND PROMOTER GROUP

Tushar Korday, Rajendra Gole, Shailaja Korday and Jyoti Gole are the Promoters of our Company. As on the date of this Draft Prospectus, our Promoter hold 37,33,166 Equity Shares which in aggregate, constitutes 52.55% of the issued and paid-up Equity Share capital of our Company.


Brief profile of our promoters:-

Tushar Korday	
	<p>Profile</p> <p>Tushar Korday, aged 62 years, is Promoter, Chairman and Managing Director of our Company. He has more than three decades of experience in pharmaceutical industry. He is Bachelors of Technology in Chemical Engineering from Indian Institute of Technology, Bombay and Post-Graduation Diploma in Management Studies from Indian Institute of Management, Ahmedabad. He currently heads Marketing, Financial and Administrative functions of our Company. He is a guiding force behind the strategic decisions of our Company and has been instrumental the overall strategy in association with other promoters. Besides our Company, he is a council member of committee of administration of Pharmaceutical Export Promotion Council of India</p>
Address	Plot No. 165, 3rd Floor, Vaibhav, Abhinav Nagar Chs, Borivali [East], Mumbai: 400 066
Occupation	Business
Driving License Number	MH02 19930034564
Voter Identification Card Number	TGJ3137999
Other Ventures Promoted by Tushar Korday	<p>Companies:</p> <ol style="list-style-type: none"> 1. Emil Pharmaceutical Industries Private Ltd 2. Emil Holdings Private Ltd 3. Avenir Laboratories Private Ltd 4. Biovy Healthcare Private Ltd <p>Partnership Firms: - Nil Proprietorship:- Nil HUF:- Tushar A. Korday HUF Trust:- Nil</p>

Rajendra Gole	
	Profile Rajendra Gole, aged 61 years, is Promoter and Wholetime Director of our Company. He has more than three decades of experience in pharmaceutical industry. He is bachelors of Pharmacy from University of Bombay and diploma in Administrative Management. He currently heads Production and Control functions of our Company. He is a guiding force behind the all manufacturing decisions of our Company and has been instrumental the overall strategy in association with other promoters. Besides our Company, he is a council member of TIMA
	Address 14/372, Bharadwaj, Roop Nagar, New MIG Colony, Station Road, Bandra [East], Mumbai: 400 051
	Occupation Business
	Driving License Number MH02 20062032506
	Voter Identification Card Number UZV2035871
	Other Interests Companies: <ol style="list-style-type: none"> 1. Emil Pharmaceutical Industries Private Ltd 2. Emil Holdings Private Ltd 3. Avenir Laboratories Private Ltd Partnership Firms: - Nil Proprietorship:- Nil HUF:- Rajendra F Gole HUF Trust:- Nil

Shailaja Korday	
	Profile Shailaja Korday, aged 57 years, is Promoter of our Company. She has more than twenty five years of experience as a consulting radiologist and sonologist. She is Doctor of Medicine Radio Diagnosis Branch from University of Bombay. She currently takes part in critical matters of the Company.
	Address B-203/204, Shantidwar, Shantivan, Near National Park, Borivli (E) Mumbai 400066 Mh In
	Experience 25 years
	Occupation Practicing Radiologist and Sonologist
	Driving License Number Not Available
	Voter Identification Card Number Not Available

	Other Interests	Companies: Nil Partnership Firms: - Nil Proprietorship:- Dr. Shailaja T Korday (Clinic) HUF:- Tushar Korday HUF Trust:- Nil
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	Jyoti Gole	
	Profile	Jyothi Gole, aged 58 years, is Promoter of our Company. She has more than twenty years of experience with the Company. She currently takes part in critical matters of the Company.
	Address	14/372, Bharadwaj, Roop Nagar, New MIG Colony, Station Road, Bandra [East], Mumbai: 400 051
	Occupation	Business
	Driving License Number	Not Available
	Voter Identification Card Number	Not Available
	Other Interests	Companies: Nil Partnership Firms: - Nil Proprietorship:- Nil HUF:- Rajendra Gole HUF Trust:- Nil

Confirmations/Declarations

We confirm that the Permanent Account Number, Bank Account Number and Passport Number of the Promoter have been submitted to SME Platform of NSE at the time of filing of the Draft Prospectus.

Undertaking/ Confirmations

None of our Promoter or Promoter Group or Group Company or person in control of our Company has been

- (i) prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- (ii) refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad. None of our Promoters, person in control of our Company are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoter, the relatives of our Promoter (as defined under the Companies Act) nor our Group Company/entities have been declared as a willful defaulter by the RBI or any other government authority and there are no violations of securities laws committed by them in the past and no proceedings for violation of securities laws are pending against them.

None of our Promoter, Promoter Group Entities or the Group Company has become sick Company under the SICA and no application has been made in respect of any of them, to the Registrar of Companies for striking off their name. Further no winding up proceedings have been initiated against the Promoter or the Group Company.

Common Pursuits

Emil Pharmaceutical Industries Private Limited, Avenir Laboratories Private Ltd and Biovy Healthcare Private Ltd are the Companies in which Tushar Korday is a shareholder and director. Emil

Pharmaceutical Industries Private Limited and Avenir Laboratories Private Ltd are the companies in which Rajendra Gole is a Director. These Companies are authorized by its MoA to engage in the same line of business as our Company. For further details of our Promoter Group refer to chapter titled “*Group Companies*” on page 183 of the Draft Prospectus.

Further, we cannot assure that our Promoter/ Promoter Group or Group Company will not promote any new entity in the similar line of business and will not favor the interests of the said entities over our interest or that the said entity will not expand their businesses which may increase our chances of facing competition. This may adversely affect our business operations and financial condition of our Company. However, our Company has adopted an internal policy for transactions related to our common pursuits. For further details, please refer section titled “*Risk Factors*” on page 21 of the 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 our Promoters

Interest as promoter and member of our Company

Our promoters, as stated herein are interested to the extent they have promoted our Company and to the extent of their shareholding in our Company and dividend payable thereon and to the extent of their relative’s shareholding in our Company. Our Promoters are also interested to the extent of their shareholding of their relatives in our Company.

Interest in the property of Our Company

Our promoter do not have any other interest in any property acquired by our Company in a period of two years before filing of the Draft Prospectus or proposed to be acquired by us till date of filing the Prospectus with ROC.

Other interests

Except Rajendra Gole, our other three Promoters are also the Directors of our Company and may also be deemed to be interested to the extent of his remuneration, as per the terms of their appointment and reimbursement of expenses payable to them and unsecured loan given by them to our Company.

Further, none of our promoters are interested in the credit facilities sanctioned, in favour of our Company.

For details, please refer to Annexure 30 on “*Related Party Transactions*” on page 193 forming part of “*Financial Information of the Company*” and with regards to personal guarantee given by our promoter towards please refer chapter titled “*Statement of Financial Indebtedness*” on page 204 respectively of this Draft Prospectus.

Related Party Transactions

For the transactions with our Promoters, Promoter Group members and Group Companies, please refer to section titled “*Annexure – 30*” of “*Related Party Transactions*” on page 195 of this Draft Prospectus.

Payment or Benefit to Promoter of Our Company

For details of payments or benefits paid to our Promoter, please refer to the paragraph “*Compensation of our Managing Director and Whole - time Directors*” in the chapter titled “*Our Management*” beginning on page 170 of this Draft Prospectus. Also refer “*Annexure 30 on Related Party Transactions*” on page 195 forming part of “*Financial Information of the Company*” this Draft Prospectus.

Companies / Firms from which the Promoters have disassociated themselves in the last (3) three years

Our Promoters 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.

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 206 of this Draft Prospectus.

OUR PROMOTER GROUP

In addition to the Promoter named above, the following natural persons and entities form part of our Promoter Group in terms of Regulation 2 (1) (zb) (ii) of SEBI ICDR Regulations, 2009.

Relationship	Tushar Korday
Father	Late Anil Korday
Mother	Late Anita Korday
Spouse	Shailaja Korday
Brother	Emil Korday
Sister	Sumegha Patange
Son	-
Daughter	Tanvi Korday, Gauri Korday
Spouse's Father	Late Gurunath Saudagar
Spouse's Mother	Late Kumudini Saudagar
Spouse's Brother	-
Spouse's Sister	Madhavi Desai, Medha Kamat, Padmaja Patil

Relationship	Shailaja Korday
Father	Late Gurunath sakharm Saudagar
Mother	Late Kumudini Gurunath Saudagar
Spouse	Tushar Korday
Brother	-
Sister	Madhavi Desai, Medha Kamat, Padmaja Patil
Son	-
Daughter	Tanvi Korday, Gauri Korday
Spouse's Father	Late Anil Korday
Spouse's Mother	Late Anita Korday
Spouse's Brother	Emil Korday
Spouse's Sister	Sumegha Patange

Relationship	Jyoti Gole
Father	Ganpatrao Jadhav
Mother	Shashikala Jadhav
Spouse	Rajendra Gole
Brother	Chandrashekhar Jadhav, Narendra Jadhav
Sister	Swati Rajebhosale
Son	Yogesh Gole, Abhijit Gole
Daughter	-
Spouse's Father	Late Fattesinh Gole
Spouse's Mother	Sudha Gole
Spouse's Brother	Chandrashekhar Gole
Spouse's Sister	Manjiri Devdhar

Relationship	Rajendra Gole
Father	Late Fattesinh Gole
Mother	Sudha Fattesinh Gole

Relationship	Rajendra Gole
Spouse	Jyoti Rajendra Gole
Brother	Chandrashekhar Gole
Sister	Manjiri Devdhar
Son	Yogesh Gole, Abhijit Gole
Daughter	-
Spouse's Father	Ganpatrao Jadhav
Spouse's Mother	Shashikala Jadhav
Spouse's Brother	Chandrashekhar Jadhav, Narendra Jadhav
Spouse's Sister	Swati Rajebhosale

Our Promoter Group as defined under Regulation 2(1)(zb) of the SEBI (ICDR) Regulations, 2009 includes following entities:

Sr. No	Nature of Relationship	Entity
1.	Any Body corporate in which 10% or more of the share capital is held by the Promoter or an immediate relative of the Promoter or a firm or HUF in which the Promoter or any one or more of his immediate relatives is a member	1) Emil Pharmaceutical Industries Private Limited 2) Emil Holdings Private Limited 3) Avenir Laboratories Private Limited Biovy Healthcare Private Limited 4) Medvin Pharma Limited 5) Medibios Laboratories Ghana Limited 6) Bio Sensors Private Limited
2.	Any company in which a company mentioned in 1. above, holds 10% or more, of the equity share capital	Nil
3.	Any HUF or Trust or firm in which the aggregate share of the Promoter and his immediate relatives is equal to or more than 10% of the total	Tushar Korday HUF, Rajendra Gole HUF Anil Korday HUF C F Gole HUF Fatesinh Gole HUF Sanjiv Patange HUF

OUR GROUP COMPANIES

As per the SEBI ICDR Regulations, 2009 for the purpose of identification of Group Companies, our Company has considered companies covered under the Accounting Standard 18 as per Restated Financial Statements for the financial year 2016-17 and/or for the period ended January 31, 2018. Further, pursuant to a resolution of our Board dated March 20, 2018 for the purpose of disclosure in connection with the issue, a Company shall be considered as material “If our Promoters and Promoter Group directly or indirectly hold 50% or more of equity share capital of such Company and such Company is covered as related party under the Accounting Standard 18”

The details of our Group Companies are provided below:

Emil Pharmaceutical Industries Private Limited

Nature of activities*	Company is into manufacturing, selling, exporting, etc. of pharmaceutical products		
Date of Incorporation	May 13, 1986		
CIN	U24230MH1986 PTC039809		
Registered office	101, Mangalam, Kulupwadi, Near National Park, Borivali [East], Mumbai: 400 066		
Board of Directors**	Name	DIN	
	Tushar Korday	00738316	
	Rajendra Gole	00738346	
	Sumegha Patange	02005121	
	Manjiri Devdhar	02469390	
	<i>(Rs. in Lakhs, rounded off except per share data)</i>		
Audited Financial Information	For the year ended		
	March 31, 2017	March 31, 2016	March 31, 2015
Paid up equity share capital	764.56	764.56	764.56
Reserves and Surplus	1405.69	756.52	422.01
Net worth	2170.25	1521.09	1186.57
Net asset value per share (Rs.)	28.39	19.90	15.52

**However, our Group Company is also authorized to transact in various other affiliated businesses*

***As on date of Draft Prospectus*

Emil Holdings Private Limited

Nature of activities*	Company is into business of Investment in shares, stock, debentures, etc.		
Date of Incorporation	August 20, 1995		
CIN	U65990MH1995PTC092039		
Registered office	B-101, Shantidwar, Shantivan, Near National Park, Borivali [East], Mumbai: 400 066		
Board of Directors**	Name	DIN	
	Tushar Korday	00738316	
	Rajendra Gole	00738346	
	<i>(Rs. in Lakhs, rounded off except per share data)</i>		
Audited Financial Information	For the year ended		
	March 31, 2017	March 31, 2016	March 31, 2015
Paid up equity share capital	1.63	1.63	1.63
Reserves and Surplus	51.07	37.83	26.11
Net worth	52.69	39.56	27.74
Net asset value per share (Rs.)	323.32	242.09	170.18

**However, our Group Company is also authorized to transact in various other affiliated businesses*

***As on date of Draft Prospectus*

Avenir Laboratories Limited

Nature of activities*	Company is into manufacturing, selling, exporting, etc. of pharmaceutical products		
Date of Incorporation	October 24, 1996		
CIN	U33100MH1996 PTC103490		
Registered office	B-101, Shantidwar Shantivan, Near National Park, Borivali East, Mumbai 400066, Maharashtra, India		
Board of Directors**	Name	DIN	
	Tushar Korday	00738316	
	Rajendra Gole	00738346	
<i>(Rs. in Lakhs, rounded off except per share data)</i>			
Audited Financial Information	For the year ended		
	March 31, 2017	March 31, 2016	March 31, 2015
Paid up equity Share Capital	2.65	2.65	2.65
Reserves and Surplus	0.88	0.00	0.00
Net worth	3.53	2.65	2.65
Net asset value per share (Rs)	13.43	10.00	10.00

**However, our Group Company is also authorized to transact in various other affiliated businesses*

***As on date of Draft Prospectus*

Biovy Healthcare Private Limited

Nature of activities*	Company is into buying, selling, dealing, exporting, etc. of pharmaceutical products		
Date of Incorporation	July 26, 2011		
CIN	U74120MH2011 PTC 220170		
Registered office	203, Mangalam, Kulupwadi, Near National Park, Borivali [East], Mumbai: 400 066		
Board of Directors**	Name	DIN	
	Tushar Korday	00738316	
	Rajendra Gole	00738346	
<i>(Rs. in Lakhs, rounded off except per share data)</i>			
Audited Financial Information	For The Year Ended		
	March 31, 2017	March 31, 2016	March 31, 2015
Paid up equity Share Capital	1.00	1.00	1.00
Reserves and Surplus	1.38	1.08	0.50
Net worth	2.38	2.08	1.50
Net asset value per share (Rs)	23.80	20.78	15.02

**However, our Group Company is also authorized to transact in various other affiliated businesses*

***As on date of Draft Prospectus*

Medibios Laboratories Ghana Private Limited

Brief Description of Business	Company is into Distribution of Pharmaceutical Products.		
Date of Incorporation	October 6, 2017		
Registration No.	CS255952017		
Board of Directors*	Name		
	Tushar Korday		
	Rajendra Gole		

**Company is incorporated in current financial year and thus no financials have been prepared*

***As on date of Draft Prospectus*

Litigations

For details on litigations and disputes pending against the Group Company/entities, if any, please refer to the section titled “*Outstanding Litigations and Material Developments*” on page 206 of this Draft Prospectus.

Undertaking / confirmations

None of our Promoters or Promoter Group or Group Company or person in control of our Company has been

- i. Prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority; or
- ii. Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of our Promoters, person in control of our Company or have ever been a Promoter, Director or person in control of any other Company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the relatives of our individual Promoters (as defined under the Companies Act) nor our Group Companies have been declared as a willful defaulter by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings for violation of securities laws are pending against them.

None of our Promoters, Promoter Group or the Group Companies has become sick Companies under the SICA and no application has been made in respect of any of them, to the Registrar of Companies for striking off their names. Further no winding up proceedings have been initiated against the Promoters or the Group Companies.

Nature and extent of interest of Group Companies

Interest in promotion and as member of our Company

None of our Group Companies have any interest in the promotion of our Company. However, EMIL Holdings Private Limited and Emil Pharmaceutical Industries Private Limited are members of our Company. For details relating to shareholding, please refer to chapter titled "*Capital Structure*" on page 76 and "*Financial Information of the Company*" - *Annexure 30 - Related party Transactions* on page 195 of this Draft Prospectus.

In the properties acquired or proposed to be acquired by our Company in the past two years before filing the Draft Prospectus with stock exchange:

Except as disclosed in this Draft Prospectus, our Group Companies do not have any interest in the properties acquired or proposed to be acquired by our Company in the past two years before filing the Draft Prospectus with Stock Exchange.

In transactions for acquisition of land, construction of building and supply of machinery

None of our Group Company is interested in any transactions for the acquisition of land, construction of building or supply of machinery

Common Pursuits/Conflict of Interest

Except as disclosed in this chapter titled "*Our Promoters and Promoter Group*" on page 183 of this Draft Prospectus, no other Group Companies are have conflict of interest in our Company.

As on the date of the Draft Prospectus, we cannot assure that our Promoters, Promoter Group/Group Entities will not promote any new entity in the similar line of business and will not favor the interests of the said entities over our interest or that the said entities will not expand their businesses which may increase our chances of facing competition. This may adversely affect our business operations and financial condition of our Company.

However, our Company has adopted an internal policy for transactions related to our common pursuits on February 9, 2018. For further details, please refer section titled "*Risk Factors*" on page 21 of the Draft Prospectus.

Related business transaction within the Group and their significance on the financial performance of the company:

For details relating to the business transactions within the Group Companies and their significance on the financial performance of the Company see the chapter titled ***“Financial Information of the Company – 30 - Related Party Transactions”*** on page 195 of this Draft Prospectus.

Business Interests amongst our Company and Group Companies /Associate Companies

Except as mentioned under Related Party Transactions, ***“Annexure 30”*** beginning on page 195 under Chapter titled ***“Financial Information of the Company”*** there is no business interest among Group Company.

Defunct /Struck-off Company

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

RELATED PARTY TRANSACTION

For details on related party transactions of the Company, please refer to Annexure 30 titled "Related Party Transactions" in the section/chapter titled "Financial Information" beginning on page 195 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 the shareholders at the general meeting of our Company. The Articles of Association of our Company give our shareholders, the right to decrease, and not to increase, the amount of dividend recommended by the Board of Directors.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have any formal dividend policy for declaration of dividend in respect of 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 may depend on a number of factors, including the results of operations, earnings, Company's future expansion plans, capital requirements and surplus, general financial condition, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

The details of dividend paid by our Company on Equity Shares in the last 5 years are as under:-

Particulars	2017	2016	2015	2014	2013
Number of equity shares of face value Rs.10/- each of our Company	71,04,600	71,04,600	71,04,600	23,68,200	23,68,200
Dividend per equity share [in Rs]	0.10	0.08	0.08	0.15	0.15
Rate of Dividend on equity share* [%]	1	0.75	0.75	1.50	1.50
Total dividend on equity share [in Rs Lakhs]	7.10	5.32	5.32	3.55	3.55
Dividend Tax [in Rs Lakhs]	1.25	1.08	0.82	0.58	0.58

The amounts paid as dividends in the past are not necessarily indicative of our Company's dividend policy or dividend amounts, if any, in the future. Also, see "Risk Factor – our Company's ability to pay dividends in the future will depend on a number of factors, including but not limited to our Company's earnings, capital requirements, contractual obligations, applicable legal restrictions and overall financial position."

SECTION V: FINANCIAL INFORMATION
FINANCIAL INFORMATION AS RESTATED

Particulars	Pages
Restated Financials	

SECTION V – FINANCIAL STATEMENTS
FINANCIAL STATEMENTS AS RE-STATED

**Independent Auditor's Report for the Restated Financial Statements of
MEDIBIOS LABORATORIES LIMITED.**

To
The Board of Directors
MEDIBIOS LABORATORIES LIMITED,
102, Shree Mangalam,
1st Floor, Kulupwadi, Borivali(E),
Mumbai, MH 400066

Dear Sirs,

1. We have examined the restated summary statement of assets and liabilities of **MEDIBIOS LABORATORIES LIMITED**, (hereinafter referred to as "**the Company**") as at Jan 31, 2018, 2017, March 31, 2017, 2016, 2015, 2014 and 2013, restated summary statement of profit and loss and restated summary statement of cash flows for the financial year ended on Jan 31, 2018, 2017, March 31, 2017, 2016, 2015, 2014 and 2013 (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 Emerge Platform of National Stock Exchange ("**NSE**") of the company.
2. These restated summary statements have been prepared in accordance with the requirements of:
 - (i) sub-clauses (i) and (iii) of clause (b) of sub-section (1) of 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**") and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("**SEBI**")
3. We have examined such restated financial statements taking into consideration:
 - (i) The terms of reference to our engagement letter with the lead merchant banker requesting us to carry out the assignment, in connection with the proposed Initial Public Offering of equity shares on Emerge Platform of NSE 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 Jan 31, 2018, 2017, March 31, 2017, 2016, 2015, 2014 and 2013.
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 Jan 31, 2018, 2017, March 31, 2017, 2016, 2015, 2014 and 2013 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 financial year ended on Jan 31, 2018, 2017, March 31, 2017, 2016, 2015, 2014 and 2013 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 flows**” of the Company for the financial year ended on Jan 31, 2018, 2017, March 31, 2017, 2016, 2015, 2014 and 2013 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.
6. Based on our examination, we are of the opinion that the restated financial statements have been prepared:
 - A. Using consistent accounting policies for all the reporting periods.
 - B. Making adjustments for prior period and other material amounts in the respective financial years to which they relate.
 - C. There are no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
 - D. There are no audit qualifications in the audit reports issued by the statutory auditors for the financial year/Period ended on Jan 31, 2018, 2017, March 31, 2017, 2016, 2015, 2014 and 2013 which would require adjustments in the restated financial statements of the Company.



7. Audit for the financial year/Period ended on Jan 31, 2018, March 31, 2017 was conducted by M/s. Amil thakkr & Co(Chartered Accountantc) & For Year ended on March 31,2016, 2015, 2014, 2013 Was Done by M/s. R.G.Mehta & Co., The financial report included for these years/Period is based solely on the report submitted by them. Further financial statements for the financial year/Period ended on Jan 31, 2018, March 31, 2017 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 financial year/Period ended on Jan 31, 2018, 2017, March 31, 2017, 2016, 2015, 2014 and 2013 proposed to be included in this Draft Prospectus / Prospectus ("Offer Document").

Notes of Restated Financial Statements of the Company:-

- a. Significant Accounting Policies and Notes to Accounts as restated in Note 1;
- b. Details of Share Capital as Restated as appearing in Note 2 to this report;
- c. Details of Reserves and Surplus as Restated as appearing in Note 3 to this report;
- d. Details of Long Term Borrowings as Restated as appearing in Note 4 to this report;
- e. Nature of Security and Terms of Long term Borrowings as appearing in Note 4.1 to this report
- f. Details of Deferred Tax Liabilities (Net) as Restated as appearing in Note 5 to this report;
- g. Details of Other Long Term Liabilities as Restated as appearing in Note 6 to this report;
- h. Details of Short Term Borrowings as Restated as appearing in Note 7 to this report;
- i. Details of Trade Payables as Restated as appearing in Note 8 to this report;
- j. Details of Other Current Liabilities as Restated as appearing in Note 9 to this report;
- k. Details of Short Term Provisions as Restated as appearing in Note 10 to this report;
- l. Details of Fixed Assets as Restated as appearing in Note 11 to this report;
- m. Details of Long Term Loans & Advances as Restated as appearing in Note 12 to this report;
- n. Details of Other Non Current Assets as Restated as appearing in Note 13 to this report;
- o. Details of Inventories as Restated as appearing in Note 14 to this report;
- p. Details of Trade Receivables as Restated enclosed as Note 15 to this report;
- q. Details of Cash and Cash Equivalents as Restated enclosed as Note 16 to this report;
- r. Details of Other Current Assets as Restated as appearing in Note 17 to this report;
- s. Details of Revenue from operations as Restated as appearing in Note 18 to this report;
- t. Details of Other Income as Restated as appearing in Note 19 to this report;
- u. Details of Cost of Material Consumed as Restated as appearing in Note 20 to this report;
- v. Details of Changes in inventory as Restated as appearing in Note 21 to this report;
- w. Details of Employee benefit Exp as Restated as appearing in Note 22 to this report;



- x. Details of Finance Cost as Restated as appearing in Note 23 to this report;
 - y. Details of Other Exp as Restated as appearing in Note 24 to this report;
 - z. Details of Amortization exp as Restated as appearing in Note 25 to this report
 - aa. Details of Summary of Accounting Ratios as Restated as appearing in Note 26 to this report
 - bb. Reconciliation of Restated Profit with Profit as per ABS as appearing in Note 27 to this report
 - cc. Capitalization Statement as Restated as at 31st January 2018 as appearing in Note 28 to this report;
 - dd. Statement of Tax Shelters as Restated as appearing in Note 29 to this report;
1. We, **M/s KPND & Co.**, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the "Peer Review Board" of the ICAI.
 2. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.
 3. 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.
 4. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
 5. In our opinion, the above financial information contained in Annexure I to XXVII of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in Annexure IV(A) 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.
 6. 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, KPND & Co.

Chartered Accountants

Firm Registration No.: 0138861W



CA Ketan Poojara.

Partner

Membership No.: 146343

Date:

Place:



(A) Corporate Information :

The company was incorporated in the year 1995 at Mumbai with an object to manufacture and market pharmaceutical products in domestic and international markets. Later, the Company took over a partnership firm M/s. Medibios Laboratories in the same year. The promoters took over the Company from erstwhile promoters in the year 1997. In 2018, The company was converted into public limited company.

(B) Basis of Preparation :

The Restated Summary Statements of Assets and Liabilities of the Company as at Jan 31, 2018, 2017, March 31, 2017, 2016, 2015, 2014 and 2013 and the related Restated Summary Statements of Profits and Losses and Cash Flows Statement for the period / years ended Jan 31, 2018, 2017, March 31, 2017, 2016, 2015, 2014 and 2013, have been compiled by management from the financial statements of the company for the period ended on Jan 31, 2018, 2017, March 31, 2017, 2016, 2015, 2014 and 2013.

"The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, 1956 (up to March 31, 2014), and notified sections, schedules and rules of the Companies Act 2013 (with effect from April 01, 2014), including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014).

The presentation of financial statements requires estimates and assumption to be made that affect the reported amount of assets & Liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which results are known/materialized."

(C) Significant Accounting Policies :**(a) Use of Estimates :**

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reported period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the Carrying amounts of Assets or Liabilities in future periods.

(b) Fixed Assets :

Fixed Assets are stated at their acquisition cost less accumulated depreciation and impairment losses. Cost comprises of all costs incurred to bring the assets to their location and working condition up to the date the assets are put to use where applicable together with any incidental expenses of acquisition/installation. Cost of acquisition includes borrowing costs that are directly attributable to the acquisition/construction of qualifying assets.

(c) Depreciation:

Up to March 31st, 2015 depreciation on fixed assets is provided on Straight Line method (SLM) at the rate and manner prescribed in schedule XIV of the Companies Act, 1956 over their useful life. w.e.f April 1st, 2015 depreciation is provided based on useful life of asset as prescribed in schedule II



of Companies Act 2013 except non charging of 100% depreciation on assets costing below Rs. 5000/- . The carrying amount as on April 1st, 2014 is depreciated over the balance useful life of asset.

Depreciation on additions to the assets and the assets sold or disposed off, during the year is provided on prorata basis, at their respective useful life or rate of depreciation as prescribed with reference to the date of acquisition / installation or date of sale / disposal.

(d) Revenue Recognition:

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Revenue from sale of goods is recognized on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for price, significant risk and rewards of ownership are transferred to the customers and no effective ownership is retained. Sales comprises sale of goods and services, net of trade discounts and include exchange differences arising on sales transactions.

(D) Foreign Currency Transactions :

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Monetary foreign currency assets and liabilities are translated into Rupees at the exchange rate prevailing at the Balance Sheet Date. All exchange differences are dealt with in Profit and Loss Account.

(E) Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of Investments.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(F) Employee Benefits:

Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when an employee renders the related services. The company has no obligations, other than the contribution payable to the provident fund.

(G) Taxation :

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the Tax Authorities in accordance with the Income Tax Act 1961 enacted or substantively enacted at the reporting date.

Deferred Tax Assets or Deferred Tax Liability is recognized on timing difference being the difference between taxable income and accounting income. Deferred Tax Assets or Differed Tax Liability is measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred Tax Assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be realized in future.



(H) Borrowing Cost :

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

(I) Segment Reporting :

The company is engaged in business of manufacturing & selling pharmaceutical products in domestic and international markets. Considering the nature of business of the company, Segment reporting is applicable to the company. The company has not maintained separate data for the various segments & in absence of the same, We are unable to report on the same.

(J) Provisions and Contingent Liabilities :

A provision is recognized when the company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

(Amount in Lakhs)

	31 st January ,2018	March 31 st , 2017	March 31 st , 2016	March 31 st , 2015	March 31 st , 2014	March 31 st , 2013
(a) Bills Discounted from Bank	-	-	-	-	-	-
(b) Letter of Credit Outstanding/Bank Guarantee Outstanding	-	-	-	-	112.25	-
(c) Corporate guarantee given for other group company.	-	1253.00	1253.00	-	-	-
(d) Claim against company not acknowledge as debt.	4.82	4.82	4.82	4.82	4.82	-

(K) Earnings per share :

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.



Statement of Assets & Liabilities as Restated

ANNEXURE-I

Fig in Rs. [Lakhs]

Particulars		Note No.	For the period ended 31/01/2018	For the year ended 31/03/2017	For the year ended 31/03/2016	For the year ended 31/03/2015	For the year ended 31/03/2014	For the year ended 31/03/2013
I. EQUITY AND LIABILITIES								
1 Shareholders Funds								
(a)	Share Capital	2	710.46	710.46	710.46	710.46	236.82	236.82
(b)	Reserves and Surplus	3	1,829.04	1,321.04	765.91	459.13	697.29	568.86
			2,539.50	2,031.50	1,476.37	1,169.59	934.11	805.68
2 Non-Current Liabilities								
(a)	Long - Term Borrowings	4	419.19	322.14	461.11	148.76	2.26	111.70
(b)	Deferred Tax Liability	5	214.53	210.14	205.76	218.40	214.01	207.53
(c)	Other Long - Term Liabilities	6	142.25	206.71	261.87	327.96	338.84	345.08
(d)	Long - Term Provisions		-	-	-	-	-	-
			775.97	738.99	928.74	695.12	555.12	664.31
3 Current Liabilities								
(a)	Short - Term Borrowings	7	536.49	388.42	316.70	689.92	665.56	672.85
(b)	Trade Payables	8	981.65	791.42	473.53	722.26	688.02	550.28
(c)	Other Current Liabilities	9	310.37	187.88	144.66	338.12	172.32	269.98
(d)	Short - Term Provisions	10	118.66	109.92	101.91	78.38	74.16	23.26
			1,947.18	1,477.64	1,036.81	1,828.69	1,600.06	1,516.36
TOTAL			5,262.65	4,248.14	3,441.91	3,693.40	3,089.29	2,986.35
II. ASSETS								
1 Non-Current Assets								
(a)	Fixed Assets [Net Block]	11						
(i)	Tangible Assets		1,996.06	1,972.89	1,825.68	1,721.46	1,584.03	1,561.82
(ii)	Intangible Assets		5.58	5.04	4.63	4.84	6.27	9.97
			2,001.64	1,977.93	1,830.31	1,726.31	1,590.30	1,571.78
2 Investments								
(b)	Long-Term Loans and Advances	12	127.26	123.98	123.98	123.98	-	-
(c)	Other Non- Current Assets	13	26.53	20.60	20.84	20.81	50.35	48.83
			59.26	29.56	31.40	37.98	81.19	83.37
3 Current Assets								
(a)	Inventories	14	652.00	644.07	358.34	562.77	461.10	525.56
(b)	Trade Receivables	15	2,172.82	1,146.25	801.26	1,013.41	738.89	509.01
(c)	Cash and Bank Balances	16	17.03	21.97	13.89	25.76	57.14	99.13
(d)	Other Current Assets	17	232.64	304.39	282.73	203.18	160.67	197.50
			3,074.49	2,116.67	1,456.22	1,805.13	1,417.80	1,331.20
TOTAL			5,262.65	4,248.14	3,441.91	3,693.40	3,089.29	2,986.35

Significant Accounting Policies and Notes to Accounts

AS PER OUR REPORT OF EVEN DATE

For KPND AND CO
Chartered Accountants

KETAN POOJARA

Partner

Mem.-: 146343

PLACE : MUMBAI

Date : MARCH 30, 2018

For MEDIBIOS LABORATORIES LIMITED
[Formerly : Medibios Laboratories Pvt Limited]MR TUSHAR KORDAY
DIRECTOR

PLACE : MUMBAI

Date : MARCH 30, 2018

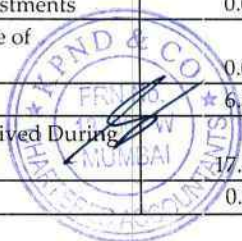
MR YOGESH GOLE
DIRECTOR

Particulars		Note No.	For the period ended 31/01/2018	For the year ended 31/03/2017	For the year ended 31/03/2016	For the year ended 31/03/2015	For the year ended 31/03/2014	For the year ended 31/03/2013
I INCOME								
1	Revenue from Operations (Gross)	19	5286.11	5281.20	4204.07	3941.01	3830.47	3433.34
	Less: Excise duty / GST		-523.30	-324.53	-197.80	-226.30	-242.69	-144.66
	Revenue from Operations (Net)		4762.80	4956.67	4006.28	3714.71	3587.78	3288.68
2	Other Income	20	12.35	3.37	2.41	8.46	33.97	19.27
	Total Revenue		4775.16	4960.04	4008.69	3723.17	3621.75	3307.96
II EXPENDITURE								
1	Cost of Materials Consumed	21	2569.19	2198.30	1715.43	2076.39	2006.95	2067.93
2	Changes in Inventories	22	-4.07	-74.43	67.85	-118.58	67.36	6.02
3	Employee Benefits Expense	23	460.78	485.15	400.07	365.07	278.60	236.47
4	Finance Costs	24	59.36	141.14	139.63	100.98	134.84	120.43
5	Depreciation - [Refer - Fixed Asset Schedule]		194.92	161.40	198.00	103.78	100.56	92.92
6	Other Expenses	25	782.75	1180.86	977.89	818.55	809.56	616.79
7	Amortization Expense	26	11.53	6.60	6.60	13.67	23.52	26.46
	Total Expenses		4074.46	4099.03	3505.49	3359.86	3421.39	3167.00
III Profit/(Loss) before tax			700.70	861.01	503.20	363.31	200.36	140.95
Tax / Statutory Provisions:								
	(1) Prior Period Items		-	-	-	-	-	-
	(2) Current Tax		188.67	280.29	188.18	115.90	59.93	41.97
	(3) Deferred Tax		4.39	4.38	-12.65	4.39	6.48	4.63
	(4) Corporate Social Responsibility		13.79	11.44	7.12	0.00	0.00	0.00
IV Profit / (Loss) after tax for the year			493.85	564.89	320.55	243.02	133.95	94.35
V Earnings Per Equity Share:								
	(Face value of ₹ 10/- Per Share)	26						
	(1) Basic		6.95	7.95	4.51	3.42	1.89	1.33
	(2) Diluted		6.95	7.95	4.51	3.42	1.89	1.33



T. K. K. K. *P. K. K.*

Particulars	For the period ended 31/03/2018	For the year ended 31/03/2017	For the year ended 31/03/2016	For the year ended 31/03/2015	For the year ended 31/03/2014	For the year ended 31/03/2013
CASH FLOW FROM OPERATING ACTIVITIES						
Restated Net profit Before Tax and Extraordinary Items	700.70	861.01	503.20	363.31	200.36	140.95
Adjustments For:						
Depreciation	206.45	168.01	204.60	117.45	124.08	119.37
(Interest Received)	-6.54	-1.97	-1.02	-7.07	-32.57	-7.96
Other Non Cash income	-3.12	-1.40	-1.40	-1.40	-1.40	-1.40
Net (gain) / loss on Foreign Exchanges	0.00	0.00	0.00	0.00	0.00	0.00
Net (gain) / loss on Sale of Investments	0.00	0.00	0.00	0.00	0.00	0.00
Net (gain) / loss on Sale of Asset	0.00	0.00	27.70	0.00	0.00	0.00
Rental income	0.00	0.00	0.00	0.00	0.00	0.00
Interest and Finance Charges	59.36	141.14	139.63	100.98	134.84	120.43
Operating Profit before working capital changes	956.85	1,166.79	872.73	573.28	425.31	371.40
Adjustment For:	0.00	0.00	0.00	0.00	0.00	0.00
Decrease/(Increase) in Inventories	-7.93	-285.73	204.43	-101.66	64.45	-75.19
Decrease/(Increase) in Trade receivables	-1,026.57	-344.99	212.15	-274.53	-229.88	204.15
Decrease/(Increase) in Other Current Assets	71.74	-21.66	-79.55	-42.51	36.83	-149.51
Expenditure amortized as per management policy	-35.30	-5.00	0.00	0.00	-19.82	-13.20
Decrease/(Increase) in Short-term loans and advances	0.00	0.00	0.00	0.00	0.00	0.00
Decrease/(Increase) in Long Term Loans and Advances	-5.93	0.24	-0.03	29.54	-1.53	135.32
(Decrease)/Increase in Trade Payables	190.23	317.89	-248.73	34.24	137.75	-95.31
(Decrease)/Increase in Other Current Liabilities	122.50	43.22	-193.47	165.80	-97.65	124.66
(Decrease)/Increase in Short Term Provisions	8.74	8.01	23.53	4.22	50.90	1.80
(Decrease)/Increase in Other Non current Liabilities	-64.46	-55.15	-66.09	-10.89	-6.23	-11.70
Cash Generated from Operations	209.86	823.62	724.99	377.49	360.13	492.42
Taxes Paid	188.67	280.29	188.18	115.90	59.93	41.97
Corporate social Responsibility	13.79	11.44	7.12	0.00	0.00	0.00
Net Cash From / (Used In) Operating Activities (A)	7.40	531.89	529.68	261.59	300.21	450.44
Cash Flow From Investing Activities	0.00	0.00	0.00	0.00	0.00	0.00
(Purchase) / Sale of Fixed Assets/ Capital Work In Progress	-218.63	-309.03	-307.96	-239.79	-119.08	-213.35
Decrease/(Increase) in Non Current investments	-3.28	0.00	0.00	-123.98	0.00	0.00
Other Statutory Adjustments	0.00	0.00	0.00	0.00	0.00	0.00
Net gain / loss on Sale of Investments/Asset	0.00	0.00	-27.70	0.00	0.00	0.00
Interest Received	6.54	1.97	1.02	7.07	32.57	7.96
Capital Subsidy Received During the year	17.27	0.00	0.00	0.00	0.00	0.00
Rental income	0.00	0.00	0.00	0.00	0.00	0.00



Handwritten signatures: K. K. K. and P. K.

Net Cash From / (Used In) Investing Activities (B)	-198.10	-307.06	-334.65	-356.70	-86.50	-205.39
Cash Flow From Financing Activities	0.00	0.00	0.00	0.00	0.00	0.00
Proceeds from Issue of Shares	0.00	0.00	0.00	473.64	0.00	0.00
Security Premium	0.00	0.00	0.00	0.00	0.00	0.00
Dividend Paid & DDT Paid	0.00	-8.36	-6.41	-6.15	-4.13	-4.13
Interest and Finance Charges	-59.36	-141.14	-139.63	-100.98	-134.84	-120.43
Proceeds / (Repayments) of Share Application Money	0.00	0.00	0.00	0.00	0.00	0.00
(Decrease)/Increase in Short Term Borrowing	148.07	71.72	-373.21	24.36	-7.29	-34.44
(Decrease)/Increase in Long Term Borrowing	97.05	-138.97	312.35	146.50	-109.44	-36.36
Bonus issue	0.00	0.00	0.00	-473.64	0.00	0.00
Preliminary Expenses	0.00	0.00	0.00	0.00	0.00	0.00
Net gain / loss on Foreign Exchanges	0.00	0.00	0.00	0.00	0.00	0.00
Net Cash From Financing Activities (c)	185.76	-216.75	-206.91	63.73	-255.69	-195.37
Net Increase / (Decrease) in Cash (A)+(B)+(C)	-4.94	8.08	-11.87	-31.38	-41.99	49.69
Cash and Cash equivalents at the beginning of the year	21.97	13.89	25.76	57.14	99.13	49.44
Cash and Cash equivalents at the end of the year	17.03	21.97	13.89	25.76	57.14	99.13

(I) The Cash Flow statement has been prepared under Indirect method as per Accounting Standard-3 "Cash Flow Satements"

(II) Figures in Brackets represent outflows

(III) The above statement should be read with the restated statement of profit and loss , cash flow statements, significant



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Note 2 Details of Share Capital as restated

Particulars	Fig in Rs. (Lakhs)					
	As at 31/01/2018	As at 31/03/2017	As at 31/03/2016	As at 31/03/2015	As at 31/03/2014	As at 31/03/2013
Authorized:						
Equity Shares of Rs.10 each	750.00	750.00	750.00	750.00	500.00	250.00
Issued, Subscribed and fully Paid up:						
Equity Shares of Rs. 10 each	710.46	710.46	710.46	710.46	236.82	236.82
Total	710.46	710.46	710.46	710.46	236.82	236.82

2.2 Reconciliation of Number of Shares

Particulars	Equity Shares 2017-18	Equity Shares 2016-17	Equity Shares 2015-16	Equity Shares 2014-15	Equity Shares 2013-14	Equity Shares 2012-13
Shares outstanding at the beginning of the year	7104600.00	7104600.00	7104600.00	2368200.00	2368200.00	2368200.00
Add : Shares Issued, Subscribed and fully Paid up during	-	-	-	4736400.00	-	-
Shares outstanding at the end of the year	7104600.00	7104600.00	7104600.00	7104600.00	2368200.00	2368200.00

(Figures in brackets relate to previous year)

2.3 Details of each Shareholder holding more than 5% of share capital

Name of Shareholder	As at 31/01/2018		As at 31/03/2017		As at 31/03/2016		As at 31/03/2015		As at 31/03/2014		As at 31/03/2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
a) Equity Shares												
Mr. Tushar A. Korday	6,72,048	9.46	6,72,048	9.46	6,72,048	9.46	6,72,048	9.46	2,24,016	9.46	2,24,016	9.46
Dr [Mrs.] Shailaja Tushar Korday	11,89,410	16.74	11,89,410	16.74	11,89,410	16.74	11,89,410	16.74	3,96,470	16.74	3,96,470	16.74
Mr. Rajendra Fattesinh Gole	5,47,638	7.71	5,47,638	7.71	5,47,638	7.71	5,47,638	7.71	1,82,546	7.71	1,82,546	7.71
Mrs. Jyoti Rajendra Gole	13,24,020	18.64	13,24,020	18.64	13,24,020	18.64	13,24,020	18.64	4,41,340	18.64	4,41,340	18.64
Emil Pharmaceutical Inds. Pvt. Ltd.	21,98,400	30.94	21,98,400	30.94	21,98,400	30.94	21,98,400	30.94	7,32,800	30.94	7,32,800	30.94
Emil Holdings Private Limited	6,75,000	9.50	6,75,000	9.50	6,75,000	9.50	6,75,000	9.50	2,25,000	9.50	2,25,000	9.50

2.4 Rights of shareholders

- a) The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share any resolution placed before the company in any general meeting. A holder is entitled to dividend proposed by Board of Directors, subject to the approval of shareholders in Annual General Meeting.
- b) In the event of liquidation of the Company, the holders of equity shares are entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to number of equity shares held by shareholders.

2.5 Prior to 31st January, 2018, the company has made following changes in its capital Structure

- During FY 2013-14 the company increased its authorized capital from Rs.25,000,000 to Rs.50,000,000 Wide a resolution passed at EGM held at registered office of the company on 27th December, 2013
- During FY 2013-14 the company increased its authorized capital from Rs.50,000,000 to Rs.75,000,000 Wide a resolution passed at EGM held at registered office of the company on 7th November, 2014
- During the FY 2014-15 the company has issued & Allotted 47,36,400 Bonus Share of Rs.10 each wide a resolution passed at EGM of the company held at registered office of the company on 25th March, 2015



T. Korday P. Gole

Note-3 Details of Reserves & Surplus as restated

Fig in Rs. [Lakhs]

Particulars	As at 31/01/2018	As at 31/03/2017	As at 31/03/2016	As at 31/03/2015	As at 31/03/2014	As at 31/03/2013
a. Capital Reserve Account [CLCSS]						
As Per Last Balance sheet	5.59	6.99	8.38	9.78	11.18	12.57
Add: Received during the year	-	-	-	-	-	-
Less: Transfer to statement of profit & loss	1.40	1.40	1.40	1.40	1.40	1.40
	4.19	5.59	6.99	8.38	9.78	11.18
b. Capital Subsidy Account [Jt Dir of Inds, Konkan Div]						
As Per Last Balance sheet	-	-	-	-	-	-
Add: Received during the year	17.27	-	-	-	-	-
Less: Transfer to statement of profit & loss	1.73	-	-	-	-	-
	15.54	-	-	-	-	-
c. Securities Premium Account						
As Per Last Balance sheet	-	-	-	75.00	75.00	75.00
Less: Utilized for Bonus Issue	-	-	-	-75.00	-	-
	-	-	-	-	75.00	75.00
d. General Reserve						
As Per Last Balance sheet	1,185.84	685.84	385.84	534.48	384.48	324.48
Less: Utilized for Bonus Issue	-	-	-	-398.64	-	-
Add: Transfer from surplus in profit & loss statement	-	500.00	300.00	250.00	150.00	60.00
	1,185.84	1,185.84	685.84	385.84	534.48	384.48
e. Surplus in Statement of Profit & Loss						
As Per Last Balance sheet	129.62	73.08	64.90	78.03	98.21	67.99
Add/Less : Net Profit/(Loss) For the current year	493.85	564.89	320.55	243.02	133.95	94.35
	623.47	637.97	385.45	321.05	232.16	162.33
Appropriations						
Transfer to General Reserve	-	500.00	300.00	250.00	150.00	60.00
Dividend on Equity Shares	-	7.10	5.33	5.32	3.55	3.55
Tax on Dividend	-	1.25	1.08	0.82	0.58	0.58
Effect Pursuant To Companies Act, 2013	-	-	5.96	-	-	-
R.off Difference	-0.00	-	-	-	-	-
	-0.00	508.36	312.37	256.15	154.13	64.13
	623.47	129.62	73.08	64.90	78.03	98.21
Total	1,829.04	1,321.04	765.91	459.13	697.29	568.86

Note:

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure I, II and III.

Note 4 Details of Long Term Borrowings as restated

Fig in Rs. [Lakhs]

Particulars	As at 31/01/2018	As at 31/03/2017	As at 31/03/2016	As at 31/03/2015	As at 31/03/2014	As at 31/03/2013
Secured						
Term loans						
From Banks						
(i) Kotak Mahindra Bank Limited Term Loan [No. 1] - FCNRTL	226.90	322.14	-	-	-	-
(ii) Kotak Mahindra Bank Limited Term Loan [No.2] - INR	192.29	-	-	-	-	-
(iii) State Bank of India	-	-	461.11	148.76	2.26	66.65
(Mortgage of immovable property, hypothecation of stocks,	-	-	-	-	-	-
	419.19	322.14	461.11	148.76	2.26	66.65
UnSecured						
Loans repayable on demand						
Loans from Related Parties	-	-	-	-	-	2.28
Others	-	-	-	-	-	42.76
	-	-	-	-	-	-
Less : Amount Disclosed Under the head Other Current liabilities(Refer Note-10)	-	-	-	-	-	-
Total	419.19	322.14	461.11	148.76	2.26	111.70

Note 5 DETAILS OF DEFERRED TAX LIABILITIES (NET) AS RESTATED

Fig in Rs. [Lakhs]

Particulars	As at 31/01/2018	As at 31/03/2017	As at 31/03/2016	As at 31/03/2015	As at 31/03/2014	As at 31/03/2013
Depre As Per Companies Act	194.92	161.40	198.00	103.78	100.56	92.92
Depre As Per Income Tax Act	187.74	178.53	163.89	133.89	126.09	121.62
	-7.18	17.13	-34.11	30.11	25.52	28.70
Gratuity Difference	-0.65	-2.28	2.46	-3.17	-2.22	-1.44
Other Disallowance	23.77	-1.60	-6.60	-13.67	-3.70	-13.26
	-	-	-	-	-	-
Total Timing Difference	15.94	13.25	-38.25	13.27	19.61	14.00
Tax Rate as per income tax act	0.00	0.00	0.00	0.00	0.00	0.00
	-	-	-	-	-	-
(DTA)/DTL for the year(Provision)	4.39	4.38	-12.65	4.39	6.48	4.63

Fig in Rs. [Lakhs]

Particulars	As at 31/01/2018	As at 31/03/2017	As at 31/03/2016	As at 31/03/2015	As at 31/03/2014	As at 31/03/2013
Op. Bal	210.14	205.76	218.40	214.01	207.53	202.90
Provision for the year	4.39	4.38	-12.65	4.39	6.48	4.63
Clo. Bal	214.53	210.14	205.76	218.40	214.01	207.53



T. Arora

P. K.

Note 4.1

Nature of Security and Terms of Long term Borrowings

Sr.	Lender	Nature of facility	Term	Amount outstanding as at March 31, 2017	Rate of interest (%)	Security / Principal terms and conditions	
						Primary Security	Collateral/Other security
1	KOTAK MAHINDRA BANK	Term Loan- FCTL		Rs. 226.90/- Lacs		First and exclusive Charge on all existing and future receivables/current assets/movable assets/movable fixed assets of the Borrower	1) First & Exclusive charge on Immovable properties being land & building situated at Plot No. J-76 & J-76/PT. MIDC, Tarapur, Dist. Palghar, Boisar-401506, Maharashtra. Owned by Modhwar
			Rs. 175.00/- lacs		6M MCLR + 1.05%		2) First Pari-passu charge on immovable property being flat no. B-5, first floor, Varun CHS-Boisar Palghar Road, Near Trivedi Compound, Boisar West, Village Saravali
2	KOTAK MAHINDRA BANK	Term Loan- WCTL		Rs. 192.29/- Lacs			3) First Pari-passu charge on immovable property being flat no. B-5, First Floor, Varun CHS- Boisar Palghar Road, Near Trivedi Compound, Boisar West
			Rs. 300.00/- lacs		6M MCLR + 1.20%		4) First Pari-passu charge on immovable property being flat no. 4, Ground Floor, Wing B, Vidhata CHS Ltd, Survey No. 102 Part, 104 Part, Hissa No. 1 Part, Villao Boisar
							5) First Pari-passu charge on immovable property being flat no. 5, Ground Floor, Shanti Sagar CHS Ltd, Village Boisar, Survey No. 11
							6) The Property Serial No. 3, 4 & 5 will be mortgaged
							7) Title Search Report of the property to be found satisfactory to the Bank
							8) Collateral Charge to the Bank are subject to the valuation at least once in 2 years or at shorter periodicity.
							9) All above property will be taken by KMBL

T. Korday

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Note 6 Details of Other Long Term Liabilities as restated

Fig in Rs. [Lakhs]

6.1 Particulars	Fig in Rs. [Lakhs]					
	As at 31/01/2018	As at 31/03/2017	As at 31/03/2016	As at 31/03/2015	As at 31/03/2014	As at 31/03/2013
Others						
Deferred sales tax liability	142.25	206.71	261.87	327.96	338.84	345.08
	142.25	206.71	261.87	327.96	338.84	345.08



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Note 7 Short Term Borrowings

Fig in Rs. (Lakhs)

7.1	Particulars	As at 31/01/2018	As at 31/03/2017	As at 31/03/2016	As at 31/03/2015	As at 31/03/2014	As at 31/03/2013
	Secured						
	Loans repayable on demand						
	From Kotak Mahindra Bank Limited [Rupee Loan-Cash Credit]	536.49	388.42	-	-	-	-
	From State Bank of India [Rupee Loan-Cash Credit]	-	-	316.70	689.92	665.56	226.35
	From State Bank of India [FCNR - Demand Loan]	-	-	-	-	-	446.49
	[Mortgage of immovable property, hypothecation of stocks, receivables, personal guarantees of directors & corporate guarantee of Emil Pharmaceutical Industries Private Ltd.]						
		536.49	388.42	316.70	689.92	665.56	672.85
		-	-	-	-	-	-
	Total	536.49	388.42	316.70	689.92	665.56	672.85

Note 8 Trade Payable

Fig in Rs. (Lakhs)

8.1	Particulars	As at 31/01/2018	As at 31/03/2017	As at 31/03/2016	As at 31/03/2015	As at 31/03/2014	As at 31/03/2013
	Trade payable from MSME						
	Sundry Creditors for Goods	-	-	-	-	-	-
	Sundry Creditors for Capital Goods	-	-	-	-	-	-
	Sundry Creditors for Exp	-	-	-	-	-	-
	Trade payable from Other than MSME						
	Sundry Creditors for Goods	918.47	779.30	465.63	639.32	688.02	550.28
	Sundry Creditors for Capital Goods	63.18	12.12	7.90	82.95	-	-
	Sundry Creditors for Exp	-	-	-	-	-	-
	Total	981.65	791.42	473.53	722.26	688.02	550.28

8.2 Under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"), certain disclosures relating to amounts due to micro, small and medium enterprises and remaining unpaid after the appointed date, etc. of principal and interest amounts are required to be made. The Company has initiated the process of compiling the relevant information from its suppliers about their filing of the Memorandum with the specified authorities and as per the information so received, the required details are as under :

Fig in Rs. (Lakhs)

	As at 31/01/2018	As at 31/03/2017	As at 31/03/2016	As at 31/03/2015	As at 31/03/2014	As at 31/03/2013
Amounts payable to Micro and Small Enterprises						
(i) On Principal Account	Nil	Nil	Nil	Nil	Nil	Nil
(ii) On Interest Account	Nil	Nil	Nil	Nil	Nil	Nil
(iii) Outstanding beyond due date	Nil	Nil	Nil	Nil	Nil	Nil
(iv) Interest Paid or Interest Accrued, due and Payable or unpaid	Nil	Nil	Nil	Nil	Nil	Nil
(v) Payments made to above suppliers beyond due date	Nil	Nil	Nil	Nil	Nil	Nil

Note 9 Other Current Liabilities

Fig in Rs. (Lakhs)

9.1	Particulars	As at 31/01/2018	As at 31/03/2017	As at 31/03/2016	As at 31/03/2015	As at 31/03/2014	As at 31/03/2013
	Current maturities of Long-term borrowings	226.52	108.00	90.00	60.00	82.92	89.75
	Current maturities of Deferred Sales Tax Liability	64.46	55.15	39.07	-	-	-
	Advance Received from Customers	14.08	15.08	2.08	259.34	72.37	101.80
	Interest accrued but not due on borrowings	-	-	4.83	1.99	6.21	4.72
	Other Statutory Dues	5.31	9.62	8.62	16.75	10.62	13.52
	Customer Excise	-	-	-	-	-	58.95
	Service Tax Payable	-	0.02	0.06	0.05	0.21	1.23
	Total	310.37	187.88	144.66	338.12	172.32	269.98

Note 10 Short Term Provisions

Fig in Rs. (Lakhs)

	As at 31/01/2018	As at 31/03/2017	As at 31/03/2016	As at 31/03/2015	As at 31/03/2014	As at 31/03/2013
Provision for proposed equity dividend	-	7.10	5.33	5.32	3.55	3.55
Provision for tax on proposed dividends	-	1.25	1.08	0.82	0.58	0.58
Provision for Other Liabilities						
Provision for Taxation respective Assessment Years	189.84	281.26	208.46	174.88	58.98	28.74
Less: Advance Tax	-169.63	-234.73	-169.39	-132.09	-44.71	-27.38
TDS on Job Work / Interest / Prof Fees	-20.21	-29.95	-27.37	-22.51	0.00	0.00
Net Amount (Refundable) / Payable	-0.00	16.59	11.71	20.28	14.27	1.36
Leave Encashment	7.08	5.70	4.40	3.15	2.10	1.81
Gratuity	7.28	6.64	4.36	6.83	3.66	1.44
Corporate Social Responsibility	13.79	11.44	7.12	-	-	-
Other Provisions	90.50	61.19	67.91	41.98	50.00	14.52
Total	118.66	109.92	101.91	78.38	74.16	23.26

T. K. Reddy

Note 7.1

Nature of Security and Terms for Short term Borrowings

Sr.	Lender	Nature of facility	Term	Amount	Rate of Interest (%)	Security / Principal terms and conditions	
						Primary Security	Collateral/Other security
1	KOTAK MAHINDRA BANK	Cash Credit	Rs. 800.00/- lacs	Rs. 536.49/- Lacs	6M MCLR + 1.15%	First and exclusive Charge on all existing and future receivables/current assets/movable assets/movable fixed assets of the Borrower	<p>1) First & Exclusive charge on Immoveable properties being land & building situated at Plot No. J-76 & J-76/PT, MIDC, Tarapur, Dist. Palghar, Boisar-401506, Maharashtra, Owned by Medibios.</p> <p>2) First Pari-passu charge on immovable property being flat no. B-5, first floor, Varun CHS-Boisar Palghar Road, Near Trivedi Compound, Boisar West, Village Saravli,</p> <p>3) First Pari-passu charge on immovable property being flat no. B-5, First Floor, Varun CHS- Boisar Palghar Road, Near Trivedi Compound, Boisar West.</p> <p>4) First Pari-passu charge on immovable property being flat no. 4, Ground Floor, Wing B, Vidhata CHS Ltd, Survey No. 102 Part, 104 Part, Hissa No. 1 Part, Village Boisar</p> <p>5) First Pari-passu charge on immovable property being flat no. 5, Ground Floor, Shanti Sagar CHS Ltd, Village Boisar, Survey No. 31.</p> <p>6) The Property Serial No. 3, 4 & 5 will be mortgaged.</p> <p>7) Title Search Report of the property to be found satisfactory to the</p> <p>8) Collateral Charge to the Bank are subject to the valuation at least once in 2 years or at shorter periodicity.</p> <p>9) All above property will be taken by KMBL.</p>

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Note No:11

Details of Fixed Assets as Restated

Fig in Rs. [Lakhs]

Particulars	Building	Land	Capital WIP	Plant & Machinery	Furniture & Fixtures	Motor Vehicles	Computer	Intangible	Total
Gross Block :									
As at March 31, 2012	800.07	98.94	-	1003.17	131.43	0.70	19.32	51.37	2105.00
As at April 1, 2012	800.07	98.94	-	1003.17	131.43	0.70	19.32	51.37	2105.00
Additions / (Deletion)	107.27	0.00	-	97.85	4.66	0.00	3.26	0.32	213.35
As at March 31, 2013	907.34	98.94	-	1101.02	136.09	0.70	22.57	51.69	2318.35
As at April 1, 2013	907.34	98.94	-	1101.02	136.09	0.70	22.57	51.69	2318.35
Additions / (Deletion)	49.29	0.00	-	54.97	2.76	10.28	1.60	0.18	119.08
As at March 31, 2014	956.62	98.94	-	1156.00	138.85	10.98	24.17	51.86	2437.43
As at April 1, 2014	956.62	98.94	-	1156.00	138.85	10.98	24.17	51.86	2437.43
Additions / (Deletion)	79.48	0.00	-	149.03	7.19	0.00	3.61	0.47	239.79
As at March 31, 2015	1036.11	98.94	-	1305.03	146.05	10.98	27.78	52.33	2677.22
As at April 1, 2015	1036.11	98.94	-	1305.03	146.05	10.98	27.78	52.33	2677.22
Additions / (Deletion)	145.68	0.00	-	29.36	12.99	0.00	7.84	0.04	195.91
As at March 31, 2016	1181.79	98.94	-	1334.39	159.03	10.98	35.62	52.37	2873.13
As at April 1, 2016	1181.79	98.94	-	1334.39	159.03	10.98	35.62	52.37	2873.13
Additions / (Deletion)	100.72	0.00	-	191.92	11.67	0.00	4.19	0.52	309.03
As at March 31, 2017	1282.52	98.94	-	1526.31	170.70	10.98	39.81	52.89	3182.15
As at April 1, 2017	1282.52	98.94	-	1526.31	170.70	10.98	39.81	52.89	3182.15
Additions / (Deletion)	107.10	0.00	-	93.53	14.61	0.00	2.73	0.65	218.63
As at January 31, 2018	1389.62	98.94	-	1619.84	185.31	10.98	42.53	53.54	3400.78
Accumulated Depreciation :									
As at March 31, 2012	206.62	-	-	357.36	40.97	0.28	10.72	37.71	653.65
As at April 1, 2012	206.62	-	-	357.36	40.97	0.28	10.72	37.71	653.65
Charge for the year	27.91	-	-	53.77	5.05	0.07	2.11	4.01	92.92
Additions / (Deletion)	-	-	-	-	-	-	-	-	-
As at March 31, 2013	234.53	-	-	411.13	46.02	0.34	12.83	41.72	746.57
As at April 1, 2013	234.53	-	-	411.13	46.02	0.34	12.83	41.72	746.57
Charge for the year	31.25	-	-	56.67	5.27	1.04	2.46	3.87	100.56
Additions / (Deletion)	-	-	-	-	-	-	-	-	-
As at March 31, 2014	265.78	-	-	467.79	51.29	1.39	15.29	45.59	847.13
As at April 1, 2014	265.78	-	-	467.79	51.29	1.39	15.29	45.59	847.13
Charge for the year	33.22	-	-	59.48	5.43	1.05	2.70	1.90	103.78
Additions / (Deletion)	-	-	-	-	-	-	-	-	-
As at March 31, 2015	299.00	-	-	527.28	56.72	2.44	17.99	47.49	950.91
As at April 1, 2015	299.00	-	-	527.28	56.72	2.44	17.99	47.49	950.91
Charge for the year	33.30	-	-	141.18	13.47	1.60	8.19	0.26	198.00
Adjustments in Depreciation under the Companies Act ' 2013	-	-	-	-	-	0.23	5.68	0.04	5.96
Additions / (Deletion)	-	-	-	-112.05	-	-	-	-	-112.05
As at March 31, 2016	332.30	-	-	668.46	70.20	4.05	26.17	47.74	1,042.82
As at April 1, 2016	332.30	-	-	668.46	70.20	4.05	26.17	47.74	1,042.82
Charge for the period	41.08	-	-	109.14	6.40	1.07	3.61	0.11	161.40
Additions / (Deletion)	-	-	-	-	-	-	-	-	-
As at March 31, 2017	373.38	-	-	777.59	76.60	5.12	29.78	47.85	1,204.22
As at April 1, 2017	373.38	-	-	777.59	76.60	5.12	29.78	47.85	1,204.22
Charge for the period	35.61	-	-	149.09	5.98	0.90	3.24	0.12	194.92
Additions / (Deletion)	-	-	-	-	-	-	-	-	-
As at January 31, 2018	408.99	-	-	926.68	82.58	6.01	33.01	47.97	1,399.14
Net Block :									
As at March 31, 2012	593.45	98.94	-	645.82	90.46	0.42	8.60	13.66	1,451.35
As at March 31, 2013	672.81	98.94	-	689.90	90.07	0.36	9.75	9.97	1,571.78
As at March 31, 2014	690.85	98.94	-	688.20	87.56	9.60	8.88	6.27	1,590.30
As at March 31, 2015	737.11	98.94	-	777.75	89.32	8.54	9.79	4.84	1,726.31
As at March 31, 2016	849.50	98.94	-	665.93	88.83	6.94	9.44	4.63	1,830.31
As at March 31, 2017	909.14	98.94	-	748.72	94.10	5.86	10.03	5.04	1,977.93
As at January 31, 2018	980.63	98.94	-	693.16	102.74	4.97	9.52	5.58	2,001.64



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Note 12 Details of Long Term Loans and Advances as Restated

Fig in Rs. [Lakhs]

12.1	Particulars	As at	As at	As at	As at	As at	As at
		31/01/2018	31/03/2017	31/03/2016	31/03/2015	31/03/2014	31/03/2013
	Advance - HDFC Keyman Policy	17.44	17.44	17.44	17.44	17.44	17.44
	Advance - Suppliers	-	-	-	-	28.85	27.37
	Stamp Duty Receivable	0.63	0.63	0.63	0.63	0.63	0.63
	Prepaid Expenses	8.46	2.53	2.77	2.74	3.44	3.39
		26.53	20.60	20.84	20.81	50.35	48.83

Note 13 Details of Other Non Current Assets as Restated

Fig in Rs. [Lakhs]

13.1	Particulars	As at	As at	As at	As at	As at	As at
		31/01/2018	31/03/2017	31/03/2016	31/03/2015	31/03/2014	31/03/2013
	R & D Expenses Capitalised	-	-	-	-	0.88	3.98
	Projection Expansion - V	-	-	0.61	1.22	2.94	9.46
	Export Exps Capitalised	9.34	-	2.03	4.06	11.16	21.10
	BE - Studies / Product Development Capitalised	23.40	8.96	7.93	11.89	15.86	-
		32.74	8.96	10.57	17.17	30.84	34.54



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Note 14 Details of Inventories as Restated

Particulars	Fig in Rs. [Lakhs]					
	As at 31/01/2018	As at 31/03/2017	As at 31/03/2016	As at 31/03/2015	As at 31/03/2014	As at 31/03/2013
Raw materials	315.26	313.07	142.16	297.62	313.35	249.57
Work-in-progress	196.70	138.61	45.67	58.27	74.36	141.72
Packing Materials	133.15	131.49	91.10	72.22	73.39	134.27
Stock in Trade	-	-	-	-	-	-
Finished Goods	6.89	60.90	79.41	134.66	-	-
Stock in Transit	-	-	-	-	-	-
(valued at cost or Net realisable value whichever is low)						
Total	652.00	644.07	358.34	562.77	461.10	525.56

Note 15 Details of Trade Receivables as Restated

Particulars	Fig in Rs. [Lakhs]					
	As at 31/01/2018	As at 31/03/2017	As at 31/03/2016	As at 31/03/2015	As at 31/03/2014	As at 31/03/2013
Unsecured, considered good						
From Related Parties						
Outstanding for a period exceeding 6 months but less than 12 months	65.18	83.77	103.85	-	-	-
Outstanding within 6 months	553.43	83.48	110.45	-	137.86	56.86
From Parties Other than above						
Outstanding for a period exceeding 6 months but less than 12 months	161.36	163.46	87.55	212.46	41.91	45.56
Outstanding within 6 months	1,392.85	815.54	499.41	800.96	559.12	406.59
Total	2,172.82	1,146.25	801.26	1,013.41	738.89	509.01

Note 16 Details of Cash and Bank Balances as Restated

Particulars	Fig in Rs. [Lakhs]					
	As at 31/01/2018	As at 31/03/2017	As at 31/03/2016	As at 31/03/2015	As at 31/03/2014	As at 31/03/2013
a) Cash and cash equivalents						
Cash on hand	1.89	1.44	6.13	2.66	4.29	5.10
Cash at Bank	15.14	20.36	1.63	0.03	0.85	-
Term Deposit with Bank [LC Margin Money]	-	0.16	6.14	23.07	52.00	94.02
Total	17.03	21.97	13.89	25.76	57.14	99.13

Note 17 Details of Other Current Assets as Restated

Particulars	Fig in Rs. [Lakhs]					
	As at 31/01/2018	As at 31/03/2017	As at 31/03/2016	As at 31/03/2015	As at 31/03/2014	As at 31/03/2013
Others						
Unsecured, considered good						
Cenvat Credit Receivable	1.21	83.12	99.63	60.85	54.39	25.78
Service Tax Receivable	-	10.38	0.91	12.37	6.31	8.40
GST Input Tax Credit - FY 2017 - 18	23.18	-	-	-	-	-
IT Refundable [AY 2016-17]	12.02	12.37	-	-	-	-
IT Refundable [AY 2015-16]	2.51	2.51	-	-	-	-
IT Refundable [AY 2012-13]	8.97	8.97	8.97	8.97	8.97	8.97
Advance tax	52.37	15.27	25.61	-	-	-
MVAT Refundable - FY 2012 - 13	-	-	-	-	-	68.78
MVAT Refundable - FY 2013 - 14	-	-	-	-	37.15	-
MVAT Refundable - FY 2014 - 15	-	58.42	58.42	58.42	-	-
MVAT Refundable - FY 2015 - 16	20.35	20.35	20.35	-	-	-
MVAT Refundable - FY 2016 - 17	34.56	34.56	-	-	-	-
MVAT Refundable - FY 2017 - 18	18.60	-	-	-	-	-
Loans to Employees	0.49	0.48	0.94	0.91	0.81	0.27
Loans to others	2.20	2.20	2.20	2.20	2.20	35.29
Duty Drawbacks - Exports	1.40	0.66	13.36	8.50	1.62	-
MAT Credit	-	-	-	-	-	-
DEPOSITS						
Deposits for Premises and Other Deposits	54.78	55.10	52.36	50.98	49.21	48.53
Total	232.64	304.39	282.73	203.18	160.67	196.02



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P. K. Dey

Note 18 Revenue from Operations

Fig in Rs. [Lakhs]

18.1	Particulars	For the period ended 31/01/2018	For the year ended 31/03/2017	For the year ended 31/03/2016	For the year ended 31/03/2015	For the year ended 31/03/2014	For the year ended 31/03/2013
	Sale of Products	5,263.46	5,266.89	4,171.77	3,923.92	3,816.39	3,398.41
	Other Operating Revenues	22.65	14.31	32.31	17.08	14.08	34.93
		5,286.11	5,281.20	4,204.07	3,941.01	3,830.47	3,433.34
	Less: Excise Duty / GST	-523.30	-324.53	-197.80	-226.30	-242.69	-144.66
		4,762.80	4,956.67	4,006.28	3,714.71	3,587.78	3,288.68

18.2 Details of Sale of Products

Particulars	For the period ended 31/01/2018	For the year ended 31/03/2017	For the year ended 31/03/2016	For the year ended 31/03/2015	For the year ended 31/03/2014	For the year ended 31/03/2013
Manufactured goods						
Local Sales	3,765.10	2,960.38	2,202.08	2,303.16	2,509.24	2,562.49
Job Work Receipts	1,087.63	1,581.17	1,335.45	1,059.88	804.34	650.96
Export Sales	410.72	725.34	634.24	560.88	502.81	184.96
	5,263.46	5,266.89	4,171.77	3,923.92	3,816.39	3,398.41

18.3 Details of Other Operating Revenue

Particulars	For the period ended 31/01/2018	For the year ended 31/03/2017	For the year ended 31/03/2016	For the year ended 31/03/2015	For the year ended 31/03/2014	For the year ended 31/03/2013
Other operating revenues						
Duty Drawback and other Export Incentives	5.56	12.96	10.49	11.24	5.79	12.27
FGN Exchange Rate Fluctuation	0.61	-	19.03	5.84	8.29	22.66
Merchandise Exports from India Scheme - MEIS	16.18	0.50	-	-	-	-
STR Scheme	0.30	0.85	-	-	-	-
FMS-Focus Market Scheme	-	-	2.79	-	-	-
	22.65	14.31	32.31	17.08	14.08	34.93

Note 19 Other Income

19.1	Particulars	For the period ended 31/01/2018	For the year ended 31/03/2017	For the year ended 31/03/2016	For the year ended 31/03/2015	For the year ended 31/03/2014	For the year ended 31/03/2013	Nature of Income
	a) Interest & Other Income							
	Interest on Deposits with Bank / Mseb	0.01	1.83	0.82	2.14	4.08	4.92	Recurring & Related to business
	Income - Miscellaneous	2.69	-	-	-	-	-	Non Recurring & Not Related to business
	Income from R & D Services	-	-	-	-	-	9.91	Non Recurring & Related To Business
	Interest - Loans & Advances	0.03	0.14	-	0.51	28.49	-	Non Recurring & Non Related To Business
	Interest - Miscellaneous	6.50	-	0.20	4.41	-	3.04	Non Recurring & Non Related To Business
	Transfer from Capital Reserve(CLCSS)	3.12	1.40	1.40	1.40	1.40	1.40	Non Recurring & Related To Business
		12.35	3.37	2.41	8.46	33.97	19.27	



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Note 20 Details of Cost of materials consumed as Restated

Fig in Rs. [Lakhs]

Particulars	For the period ended 31/01/2018	For the year ended 31/03/2017	For the year ended 31/03/2016	For the year ended 31/03/2015	For the year ended 31/03/2014	For the year ended 31/03/2013
Opening stock - RM Local	313.07	142.16	297.62	313.35	249.57	214.58
Opening stock - PM Local	131.49	91.10	72.22	73.39	134.27	88.06
Opening stock - Traded Goods	-	-	-	-	-	-
(A)	444.55	233.25	369.83	386.75	383.84	302.64
Add: Purchases - RM Local	2,118.97	1,991.46	1,327.37	1,927.06	1,847.28	1,957.32
Add: Purchases - PM Local	453.66	555.02	402.29	347.06	312.98	391.67
Add: Purchases - RM Imported	0.42	2.89	-	19.56	8.27	21.05
Add: Purchases - Goods in Transit	-	92.06	-	-	-	-
(B)	2,573.05	2,641.42	1,729.66	2,293.67	2,168.53	2,370.04
Less: Closing stock - RM Local	-315.26	-313.07	-142.16	-297.62	-313.35	-249.57
Less: Closing stock - PM Local	-133.15	-131.49	-91.10	-72.22	-73.39	-134.27
Less: Closing stock - Transit	-	-	-	-	-	-
(C)	-448.41	-444.55	-233.25	-369.83	-386.75	-383.84
Cost of material consumed	2,569.19	2,430.12	1,866.24	2,310.58	2,165.63	2,288.84
Less: Cenavt Credit taken	-	-231.82	-150.81	-234.19	-158.68	-220.91
Total	2,569.19	2,198.30	1,715.43	2,076.39	2,006.95	2,067.93

Note 21 Details of Changes in inventories as Restated

Fig in Rs. [Lakhs]

Particulars	For the period ended 31/01/2018	For the year ended 31/03/2017	For the year ended 31/03/2016	For the year ended 31/03/2015	For the year ended 31/03/2014	For the year ended 31/03/2013
<u>Inventories at the end of the year:</u>						
Work-in-progress	196.70	138.61	45.67	58.27	74.36	141.72
Finished Goods	6.89	60.90	79.41	134.66	-	-
<u>Inventories at the beginning of the year:</u>						
Work-in-progress	138.61	45.67	58.27	74.36	141.72	147.73
Finished Goods	60.90	79.41	134.66	-	-	-
Net (increase) / decrease	-4.07	-74.43	67.85	-118.58	67.36	6.02

Note 22 Details of Employee Benefit Expense as Restated

Fig in Rs. [Lakhs]

22.1

Particulars	For the period ended 31/01/2018	For the year ended 31/03/2017	For the year ended 31/03/2016	For the year ended 31/03/2015	For the year ended 31/03/2014	For the year ended 31/03/2013
Salaries, Allowances and Bonus	437.42	459.45	381.06	344.10	267.43	225.64
Leave Encashment	3.87	3.00	1.95	1.90	0.93	-
Contribution and Payments for Gratuity	7.28	8.20	2.80	6.93	3.66	1.44
Staff Welfare Expenses	12.20	14.51	14.26	12.15	6.58	9.39
Total	460.78	485.15	400.07	365.07	278.60	236.47
gratuity provision as per ABS	7.28	6.64	4.36	6.83	3.66	1.44
Op	6.64	4.36	6.83	3.66	1.44	-
Exp for the year	7.28	8.20	2.80	6.93	3.66	1.44
Amount paid	6.64	5.92	5.27	3.76	1.44	0.00
closing provi	7.28	6.64	4.36	6.83	3.66	1.44

22.2 Defined Benefit Plan

The employees' gratuity fund scheme is managed by the Life Insurance Corporation of India which is a defined benefit plan. The present value of obligation is determined by LIC based on the actuarial valuation using the Projected Unit Credit Method.

The obligation and year end liability in respect of leave encashment is determined based on the actuarial valuation using the Projected Unit Credit method carried out by an independent actuary.



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Note 24 Finance Cost

Particulars	Fig in Rs. [Lakhs]					
	For the period ended 31/01/2018	For the year ended 31/03/2017	For the year ended 31/03/2016	For the year ended 31/03/2015	For the year ended 31/03/2014	For the year ended 31/03/2013
a) Interest Expense						
On Term Loan from bank	29.05	60.22	49.45	13.09	14.09	36.19
On Cash Credit Accounts	15.93	31.96	71.34	74.82	56.42	71.62
On Other Loans	-	-	-	-	0.18	0.25
Other Financing charges	4.73	12.09	6.51	4.27	22.37	7.92
b) Other Borrowing Cost						
Bank Charges (Including Commission, Processing Fees)	1.66	34.33	12.33	8.79	14.66	4.45
(c) Net (gain) / loss on foreign currency transactions and translation (considered as finance cost)	7.99	2.54	-	-	27.11	-
Total	59.36	141.14	139.63	100.98	134.84	120.43

Note 25 Other Expenses

Particulars	Fig in Rs. [Lakhs]					
	For the period ended 31/01/2018	For the year ended 31/03/2017	For the year ended 31/03/2016	For the year ended 31/03/2015	For the year ended 31/03/2014	For the year ended 31/03/2013
Consumption of stores and spare parts	56.62	86.05	59.61	55.13	51.11	31.54
Factory / Laboratories Chemical	41.86	52.13	34.90	23.44	19.47	9.81
Electricity	111.24	140.14	123.79	100.64	88.88	89.74
Fuel	26.35	40.96	29.57	40.72	31.98	29.37
Water	2.55	3.43	2.92	2.97	2.88	2.49
Carriage Inward	1.19	2.30	3.63	2.48	2.97	3.14
Testing Charges	2.59	3.53	0.57	0.16	3.54	2.77
Machinery Hiring Charges	2.02	16.00	12.73	13.77	12.44	13.09
LL Labour Charges	70.05	99.33	86.46	94.88	108.05	110.33
Factory Expenses	246.03	338.55	276.95	204.34	200.88	186.64
Pest Control	0.52	0.85	0.90	-	0.54	-
Conveyance	7.01	3.16	3.41	1.20	3.38	0.32
Repairs and maintenance	40.14	42.99	36.59	24.32	49.45	30.48
Uniform	3.24	6.28	2.77	2.83	8.46	5.03
Insurance	5.72	12.90	12.01	7.52	6.06	9.56
Laundry Expenses	1.91	3.73	3.71	3.17	3.08	3.19
Rent, Rates and taxes [Incl. Tarpauline Exps]	0.24	9.48	7.44	5.46	3.81	1.56
GMP Renovation Expenses	-	-	-	-	-	11.93
Vehicle Expenses	0.46	0.57	1.27	0.27	-	-
Postage & Telegram	3.28	1.85	1.57	1.71	1.85	1.39
Printing and stationery	9.73	11.76	8.62	5.40	1.85	1.41
Membership & Subscription	0.69	0.51	0.78	0.38	-	-
Professional Fees	15.75	37.17	39.32	32.73	29.45	15.04
Advertisement	-	-	-	-	0.21	0.43
Office Expenses	6.96	7.84	5.05	16.17	17.99	10.93
Office Rent	10.94	12.84	12.70	9.83	7.20	7.20
Telephone	3.11	3.57	4.15	4.41	4.34	3.94
Auditors Remuneration	3.45	3.64	3.42	3.07	2.50	2.02
Keyman Insurance Premium	-	1.48	3.19	3.37	3.33	2.97
Government Fees	13.41	11.70	4.68	11.18	6.11	5.40
Carriage Outward	1.83	2.65	2.40	1.61	0.33	0.79
Export Promotion	49.32	62.51	36.23	28.95	28.87	17.15
Commission	34.23	127.37	75.27	94.24	68.39	3.38
Distribution Expenses	7.30	32.97	40.22	15.67	14.40	1.25
Foreign Travelling Exps	2.99	0.63	0.99	6.53	6.72	2.49
Loss on Fire	-	-	-	-	4.93	-
Bad Debts W/off	-	-	12.39	-	14.12	-
Profit / (Loss) on Sale of Assets	-	-	27.70	-	-	-
Total	782.75	1,180.86	977.89	818.55	809.56	616.79

Note 26 Amortization Expense

Particulars	Fig in Rs. [Lakhs]					
	For the period ended 31/01/2018	For the year ended 31/03/2017	For the year ended 31/03/2016	For the year ended 31/03/2015	For the year ended 31/03/2014	For the year ended 31/03/2013
Expansion Project - V W/off	-	0.61	0.61	1.72	6.51	8.90
Export Expenses W/off	2.97	2.03	2.03	7.10	9.94	10.97
R & D Expenses W/off	-	-	-	0.88	3.10	6.58
BE Studies / Product Development Expenses W/off	8.56	3.96	3.96	3.96	3.96	-
Total	11.53	6.60	6.60	13.67	23.52	26.46



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Note 26:

DETAILS OF SUMMARY OF ACCOUNTING RATIOS AS RESTATED

Fig in Rs. [Lakhs]

Particulars	For the period ended 31/01/2018	For the year ended 31/03/2017	For the year ended 31/03/2016	For the year ended 31/03/2015	For the year ended 31/03/2014	For the year ended 31/03/2013
Net Profit After Tax as Restated	493.85	564.89	320.55	243.02	133.95	94.35
Total Number of Equity Shares outstanding at the end of the year / period(Pre Bonus Issue)	71,04,600	71,04,600	71,04,600	71,04,600	23,68,200	23,68,200
Effect of Bonus shares	-	-	-	-	47,36,400	47,36,400
Total Number of Equity Shares outstanding at the end of the year / period(Post Bonus Issue)	71,04,600	71,04,600	71,04,600	71,04,600	71,04,600	71,04,600
Total Weighted Avg Number of Equity Shares outstanding at the end of the year / period(Pre Bonus Issue)	71,04,600	71,04,600	71,04,600	71,04,600	23,68,200	23,68,200
Total Weighted Avg Number of Equity Shares outstanding at the end of the year / period(Post Bonus Issue)	71,04,600	71,04,600	71,04,600	71,04,600	71,04,600	71,04,600
Net Worth	2,539.50	2,031.50	1,476.37	1,169.59	934.11	805.68
Earnings Per Share						
Basic & Diluted - before bonus	6.95	7.95	4.51	3.42	5.66	3.98
Basic & Diluted - after bonus	6.95	7.95	4.51	3.42	1.89	1.33
Return on Net Worth (%)	0.19	0.28	0.22	0.21	0.14	0.12
Net Asset Value Per Share (Rs) - before bonus	35.74	28.59	20.78	16.46	39.44	34.02
Net Asset Value Per Share (Rs) - after bonus	35.74	28.59	20.78	16.46	13.15	11.34
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00	10.00	10.00	10.00

Notes:

1. The ratios have been Computed as per the following formulas:

(i) Basic Earning per Share

Restated Profit after Tax available to equity shareholders

(ii) Net Asset Value (NAV) per Equity Share

Restated Network of Equity Share Holders

(iii) Return on Net Worth (%)

Restated Profit after Tax available to equity shareholders

2. Net Profit as restated, as appearing in the statement of profit and losses, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the restated financial information of the Company.

3. Earning per share calculations are done in accordance with Accounting Standard 20 "Earning Per Share", issued by the Institute of Chartered Accountants of India.

4. Prior to January 31, 2018, the company has made the following changes in its capital structure, the effects of which have been considered in computing the above accounting ratios:

- During FY 2013-14 the company increased its authorized capital from Rs.25,000,000 to Rs.50,000,000 Wide a resolution passed at EGM held at registered office of the company on 27th December,2013
- During FY 2013-14 the company increased its authorized capital from Rs.50,000,000 to Rs.75,000,000 Wide a resolution passed at EGM held at registered office of the company on 7th November,2014
- During the FY 2014-15 the company has issued & Alloted 47,36,400 Bonus Share of Rs.10 each wide a resolution passed at EGM of the company held at registered office of the company on 25th March,2015.

Note:

1. The figures disclosed are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and



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Note: 27**Reconciliation of Restated Profit With Profit as per ABS**

Fig in Rs. [Lakhs]

Adjustments for	As at January 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Net profit/(loss) after tax as per audited statement of profit & loss	503.68	551.80	329.99	243.02	135.28	101.22
Adjustments for:						
Prior Period Adjustments (Refer Note 1)	-11.34	12.96	-1.72	0.91	-	-1.72
Excess / Short Provision for Tax (Refer Note 2)	1.33	-0.20	1.82	-1.81	-1.93	-1.25
Differed Tax Liability / Assets Adjustments (Refer Note 3)	0.18	0.33	-9.55	0.91	0.60	-3.90
Net profit/ (loss) after tax as restated	493.85	564.89	320.55	243.02	133.95	94.35

Notes:**Note: 1**

Amounts relating to the prior period & Other incomes/Exp have been adjusted in the year to which the same relates to & Under which head the same relates to

Note: 2

The company has provided Excess or Short Provision in the year in which the income tax return has been filled. But in restated account, the company has provided Excess or Short Provision in the year to which it relates

Note: 3

There is change in Deferred Tax Assets / Liabilities as per Audited Books of Accounts and as per Restated Books and the same has been given effect in the year to which the same relates.

Note 28:**Capitalization statement**

Fig in Rs. [Lakhs]

Particulars	Pre Issue	Post Issue
Borrowings:		
Short-term Debt (A)	536.49	536.49
Long-term Debt (B)	645.71	645.71
Total debts (C)	1,182.20	1,182.20
Shareholders' funds		
Share capital	710.46	●
Reserve and surplus	1,829.04	●
Total shareholders' funds (D)	2,539.50	●
Long term debt / shareholders' funds (B/D)	0.25	●
Total debt / shareholders' funds (C/D)	0.47	●

Notes:

- Short term debts represent debts which are due within 12 months from Jan 31, 2018.
- Long term debts represent debts other than short term debts, as defined above but includes current maturities of long term debt.
- The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at Jan 31, 2018

Note No 29

Statement of Tax Shelters as Restated

Fig in Rs. [Lakhs]

Particulars	As at January 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Profit before tax, as restated (A)	700.70	861.01	503.20	363.31	200.36	140.95
Normal Corporate Tax Rate (%)	27.55	33.06	33.06	33.06	33.06	33.06
Minimum Alternative Tax Rate (%)	20.39	20.39	20.39	20.39	20.39	20.39
Adjustments :						
Permanent differences	-	-	-	-	-	-
Expenses disallowed under Income Tax Act, 1961	-	-	27.70	0.50	0.50	-
Donation	-	-	-	-	-	-
Total permanent differences(B)	-	-	27.70	0.50	0.50	-
Income considered separately (C.)	-6.54	-1.97	-1.02	-7.07	-32.57	-7.96
Timing differences	-	-	-	-	-	-
Depreciation as per Books	194.92	161.40	198.00	103.78	100.56	92.92
Depreciation as per IT Act	187.74	178.53	163.89	133.89	126.09	121.62
Other Disallowance under income Tax Act,1961	-23.77	1.60	0.00	13.67	3.70	13.26
Gratuity	0.65	2.28	-2.46	3.17	2.22	1.44
Total timing differences (D)	-15.94	-13.25	38.25	-13.27	-19.61	-14.00
Net adjustments E = (B+C+D)	-22.48	-15.22	64.93	-19.84	-51.68	-21.96
Tax expense / (saving) thereon	-6.19	-5.03	21.47	-6.56	-17.09	-7.26
Income from other sources (F)	6.54	1.97	1.02	7.07	32.57	7.96
Exempt Income (G)	-	-	-	-	-	-
Income/(loss) (A+E+F-G)	684.76	847.76	569.15	350.54	181.26	126.95
Brought Forward Loss Set Off	-	-	-	-	-	-
- Ordinary Business Loss	-	-	-	-	-	-
- Unabsorbed Depreciation	-	-	-	-	-	-
- Total	-	-	-	-	-	-
Taxable income/(loss)	684.76	847.76	569.15	350.54	181.26	126.95
Tax as per Normal Provision	188.67	280.29	188.18	115.90	59.93	41.97
Income/(loss) as per MAT	700.70	861.01	503.20	363.31	200.36	140.95
Brought Forward Loss Set Off	-	-	-	-	-	-
Taxable income/(loss) as per MAT	700.70	861.01	503.20	363.31	200.36	140.95
Income tax as per MAT	142.87	175.55	102.60	74.08	40.85	28.74
Tax paid as per "MAT" or "Normal Provisions"	Normal Provision	Normal Provision	Normal Provision	Normal Provision	Normal Provision	Normal Provision

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL STATEMENTS

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the financial period ended January 31, 2018, the financial years ended March 2017, March 2016 and March 2015, respectively, prepared in accordance with the Companies Act and Indian GAAP and restated in accordance with the SEBI (ICDR) Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in the section titled "*Financial Statements*" beginning on page 195 of this Draft Prospectus.

Indian GAAP differs in certain material aspects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Prospectus, nor do we provide reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and SEBI (ICDR) Regulations. This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in "*Risk Factors*" and "*Forward-Looking Statements*" beginning on pages 21 and 19, respectively, of this Draft Prospectus.

The Management's Discussion and Analysis of Financial Condition and Results of Operations, reflects the analysis and discussion of our financial condition and results of operations for the financial period ended January 31, 2018 and for the financial years ended March 2017, 2016 and 2015.

Overview:

Medibios Laboratories Limited was incorporated in the year 1995 at Mumbai with an object to manufacture and market pharmaceutical products in domestic and international markets. Later, the Company took over a partnership firm M/s. Medibios Laboratories in the same year. Our promoters took over the Company from erstwhile promoters in the year 1997. In 2018, we resolved and converted our Company to a Public Limited Company.

We are located in Mumbai and have a manufacturing unit situated at MIDC, Tarapur Industrial Area, Maharashtra. Our manufacturing facilities are accredited with World Health Organization – Good Manufacturing Practice Certification, Food and Drug Administration Philippines, Cosmetic Devices and Drug Authority of Sri Lanka, National Drug Authority Uganda, Food and Drug Administration Myanmar, DPML (*Direction De La Pharmacie Du Medicament Et Des Laboratoires*) – Ivory Coast, National Agency for Food and Drug Administration and Control - Nigeria and Food and Drug Administration - Ghana.

Our products are in dosage forms of Tablets, Capsules and Powders. Our product portfolio includes more than 200 formulations across 20 therapeutic categories which are manufactured at our facilities. Our products are registered with ISP (*Instituto de Salud Publica*) Chile, Uruguay, Suriname, Venezuela, Costa Rica, Cosmetic Devices and Drug Authority of Sri Lanka, Drug Regulation Services Botswana, Food DA Vietnam, Georgia, Azerbaijan, Hong Kong, etc.

We have entered into an agreement with a Sri Lanka based Company for marketing of our brands in Sri Lanka, while we have invested in an Associate Company "Medvin Pharma Limited" in Uganda which is engaged in the wholesale and retail sale of medicines in Uganda and surrounding countries. We have recently set up a wholly owned subsidiary in Ghana "Medibios Laboratories Ghana Private Limited" for marketing and distribution of our products there.

Our business is based on three core models (i) Contract Manufacturing, (ii) Marketing Own Brands and (iii) Loan License. We majorly carry our business on contract manufacturing for multinational companies. However, recently we have shifted our focus to Direct Manufacturing and Direct Exports to overseas clients, and we propose to expand our business using the same model. In addition, Medibios now as part of its long-term strategy, has started focusing on marketing own brands through dedicated Medibios Marketing Team appointed under its own wholly owned subsidiary or in

partnership with importers/marketing agents in respective countries. This model will help Medibios build brands which will provide sustained revenue, growth and improved margins compared to the contract manufacturing and loan license business model.

We currently export our products to over 20 countries which include countries in South East Asia, Africa, and Central and Latin America. We plan to upgrade our manufacturing facility and get it approved by PIC/s (Pharmaceutical Inspection Convention and Pharmaceutical Inspection Co-operation Scheme) member countries, European Union – Good Manufacturing Practices and World Health Organization - Geneva by mid 2019 and increase our basket of Bioequivalent Generic Products for the regulated markets.

We are suppliers of pharmaceutical products to Government of Sri Lanka for over eight years. In addition our partners overseas have been procuring products from us and supplying to the Government in several other countries including Malaysia, Chile, Philippines and Uruguay.

We are benefited from the experience of our promoters and management who are actively involved in our operations, marketing, exports and customer relationship and have been instrumental in implementing our growth strategies. Tushar Korday, our Managing Director has more than three decades of experience in pharmaceutical industry while, Rajendra Gole, our Wholetime Director has experience of four decades. Our management is actively supported by other promoters, Shailaja Korday and Jyoti Gole.

Significant Developments

Subsequent to the Last Financial Period In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Draft Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except receipt of in principle sanction from Citi Bank dated March 28, 2018 for a term loan amounting to Rs. 1,500.00 lakhs.

Factors affecting our Results of Operations

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factors*” beginning on page 21 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- (i) Commercialization of new products
- (ii) Quality control
- (iii) Regulatory norms
- (iv) Quality of our products
- (v) Pricing policies

Discussion on Result of Operations

The following discussion on results of operations should be read in conjunction with the restated consolidated financial statements for the financial period ended January 31, 2018 and the financial years ended March 2017, March 2016 and March 2015.

Revenue	10MFY18	% of total revenue	FY17	% of total revenue	FY16	% of total revenue
Revenue from Operations (Net)	4762.80	99.74%	4956.67	99.93%	4006.28	99.94%
Other Income	12.35	0.26%	3.37	0.07%	2.41	0.06%
Total Revenue	4775.16	100.00%	4960.04	100.00%	4008.69	100.00%
Expenditure						
Cost of Materials Consumed	2569.19	53.80%	2198.30	44.32%	1715.43	42.79%
Changes in Inventories	-4.07	-0.09%	-74.43	-1.50%	67.85	1.69%
Employee Benefits Expense	460.78	9.65%	485.15	9.78%	400.07	9.98%

Revenue	10MFY18	% of total revenue	FY17	% of total revenue	FY16	% of total revenue
Finance Costs	59.36	1.24%	141.14	2.85%	139.63	3.48%
Depreciation	194.92	4.08%	161.40	3.25%	198.00	4.94%
Other Expenses	782.75	16.39%	1180.86	23.81%	977.89	24.39%
Amortization Expense	11.53	0.24%	6.60	0.13%	6.60	0.16%
Total Expenses	4074.46	85.33%	4099.03	82.64%	3505.49	87.45%
Profit/(Loss) before tax	700.70	14.67%	861.01	17.36%	503.20	12.55%
Tax / Statutory Provisions:						
(1) Prior Period Items	-					
(2) Current Tax	188.67	3.95%	280.29	5.65%	188.18	4.69%
(3) Deferred Tax	4.39	0.09%	4.38	0.09%	-12.65	-0.32%
(4) Corporate Social Responsibility	13.79	0.29%	11.44	0.23%	7.12	0.18%
Profit for the year	493.85	10.34%	564.89	11.39%	320.55	8.00%

Income from operations

Our revenue is derived from following business activities:

- (iv) Contract Manufacturing
 - Domestic Customers/ Clients
 - Merchant Exporters
 - Overseas Customers/ Clients
- (v) Loan License
- (vi) Marketing own Products (Branded and Generic)
 - Exports to importer of respective country with marketing partnership
 - Exports to our associate/subsidiary companies overseas for marketing

Other income

Our other income mainly includes income from transfer from capital reserve, interest income, etc.

Expenditure

Our total expenditure primarily consists of direct expenditure i.e. cost of materials consumed and changes in inventories of finished goods, WIP and stock-in-trade, finance cost, employee benefit expenses, depreciation and other expenses.

Direct Expenditure

Our direct expenditure includes cost of materials consumed and changes in inventories of finished goods, WIP and stock-in trade. The cost of materials comprises of costs of purchase of raw material such as APIs, excipient, colours, packaging material, etc. and freight inward.

Employee benefits expense

Our employee benefits expense primarily comprises of director's remuneration, salaries and wages expenses, incentives to staff, contributions towards gratuity, provident fund and state insurance, other employee benefits expense such as staff pension and welfare expenses, bonus, medical expenses, amongst others.

Finance Costs

Our finance costs include interest on loans, bank charges and commission, etc.

Depreciation

Depreciation includes depreciation on tangible assets like land, building, plant and machinery, etc.

Other Expenses

Other expenses include manufacturing, business development, export promotion, administrative, selling & distribution expenses such as electricity charges, legal and professional charges, labour charges, etc.

Review of Ten Months period ended January 31, 2018

Income

Income from Operations

Our income from operations was Rs. 4762.80 lakhs which is about 99.74% of our total revenue for the period of ten months ended on January 31, 2018, which includes revenue from contract manufacturing, loan licensing and marketing of own products.

Other Income

Our other income was Rs. 12.35 lakhs which is 0.26% of includes interest on loans and advances, transfer from capital reserves, miscellaneous income, etc.

Expenditure

Direct Expenditure

Our direct expenditure was Rs. 2565.12 lakhs which is 53.72% of our total revenue for the period of ten months ended January 31, 2018. The direct material expenditure includes cost of materials consumed, and changes in inventories of finished goods, work in progress and stock in trade.

Employee Benefits Expenses

Our employee benefits expenses were Rs. 9.65% of our total revenue for the period of ten months ended January 31, 2018 and comprised of director's remuneration, salaries and wages expenses, incentives to staff, contributions towards gratuity, provident fund and state insurance, other employee benefits expenses, etc.

Finance Cost

Our finance cost was Rs. 59.36 which is 1.24% of our total revenue for the period of ten months ended January 31, 2108.

Depreciation

Depreciation expenses were Rs. 194.92 lakhs which is 4.08% of our total revenue for the period of ten months ended January 31, 2018.

Other Expenses

Our other expenses were Rs. 782.75 lakhs which is 16.39% of our total revenue for the period of ten months ended January 31, 2018

Net Profit

Our Net Profit After Tax was Rs. 493.85 lakhs which is 10.34% of our total revenue for the period of ten months ended January 31, 2018.

Comparison of Financial Year ended March 31, 2017 with Financial Year ended March 31, 2016

(Rs. in lakhs)

REVENUE	FY17	FY16	Variance
Revenue from Operations (Net)	4,956.67	4,006.28	19.17%
Other Income	3.37	2.41	28.30%
Total Revenue	4,960.04	4,008.69	19.18%
EXPENDITURE			
Cost of Materials Consumed	2,198.30	1,715.43	21.97%
Changes in Inventories	-74.43	67.85	191.16%

Employee Benefits Expense	485.15	400.07	17.54%
Finance Costs	141.14	139.63	1.07%
Depreciation	161.40	198.00	22.67%
Other Expenses	1,180.86	977.89	17.19%
Amortization Expense	6.60	6.60	0.00%
Total Expenses	4,099.03	3,505.49	14.48%
Profit/(Loss) before tax	861.01	503.20	41.56%
Profit after Tax	564.89	320.55	43.26%

Income

Income from Operations

Our income from operations was Rs. 4,956.67 lakhs which is about 19.17% more than previous financial year. The revenue increased as result of higher sales and exports in FY17

Other Income

Our other income was Rs. 3.37 lakhs which is about 28.30% more than previous financial year. The increase was due to increase in interest income in FY17.

Expenditure

Direct Expenditure

Our direct expenditure was Rs. 2,213.87 lakhs in FY17 which is 16.04% more than previous financial year. The cost of material consumed was Rs. 2,198.30 lakhs in FY17 as compared to Rs. 1,1715.43 lakhs in FY16. The change in inventory for FY17 was negative Rs. 74.43 lakhs as compared to Rs. 67.85 lakhs in FY16.

Employee Benefits Expenses

Our employee benefits expenses were Rs. 485.15 lakhs in FY17 as compared to Rs. 400.07 lakhs in FY16 showing an increase of 17.94%. The increase was due to increase in salaries and wages expenses, incentives to staff, contributions towards gratuity, provident fund and state insurance, other employee benefits expenses, etc.

Finance Cost

Our finance cost was Rs. 141.14 lakhs for FY17 while in FY16; the finance of cost was Rs. 139.63 lakhs which is 1.07% more than previous year.

Depreciation

Depreciation expenses were Rs. 161.40 lakhs in FY17 as compared to 198.00 lakhs in FY16.

Other Expenses

Our other expenses were Rs. 1,180.86 lakhs in FY17 which is 17.19% more than other expenses of previous year. The increase was majorly due to increase in factory expenses, commission, labour charges, etc.

Net Profit

Net profit was Rs. 564.89 lakhs in FY17 which is 43.26% more than previous year. The increase in profit was mainly due increase in sales and better operational efficiency as compared to previous financial year.

Comparison of Financial Year ended March 31, 2016 with Financial Year ended March 31, 2015

Income

(Rs. in lakhs)

INCOME	FY16	FY15	Variance
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Revenue from Operations (Net)	4,006.28	3,714.71	7.28%
Other Income	2.41	8.46	-250.70%
Total Revenue	4,008.69	3,723.17	7.12%
EXPENDITURE			
Cost of Materials Consumed	1,715.43	2,076.39	-21.04%
Changes in Inventories	67.85	-118.58	274.76%
Employee Benefits Expense	400.07	365.07	8.75%
Finance Costs	139.63	100.98	27.68%
Depreciation	198.00	103.78	47.59%
Other Expenses	977.89	818.55	16.29%
Amortization Expense	6.60	13.67	-106.95%
Total Expenses	3,505.49	3,359.86	4.15%
Profit/(Loss) before tax	503.20	363.31	27.80%
Profit/ (Loss) after tax	320.55	243.02	24.18%

Income

Income from Operations

Our income from operations was Rs. 4,006.28 lakhs which is about 7.28% more than previous financial year. The revenue increased as result of higher domestic sales and increase in exports in FY16

Other Income

Our other income was Rs. 2.41 lakhs which is about 250.70% less than previous financial year. The decrease was due to decrease in interest and miscellaneous income in FY16. The Loan provided to employees was largely repaid and thus interest income reduced in FY16. Further, in FY15, we received, Sales Tax Refund with interest amounting to Rs. 2.46 lakhs.

Expenditure

Direct Expenditure

Our direct expenditure was Rs. 1,783.29 lakhs in FY16 which is 9.79% less than previous financial year. The cost of material consumed was Rs. 1,715.53 lakhs in FY16 as compared to Rs. 2,076.19 lakhs in FY15. The change in inventory for FY16 was Rs. 67.85 lakhs as compared to negative in the FY15. The decrease in direct expenditure was largely due to better negotiation of prices with the suppliers.

Employee Benefits Expenses

Our employee benefits expenses were Rs. 400.07 lakhs in FY16 as compared to Rs. 365.07 lakhs in FY15 showing an increase of 8.75%. The increase was due to increase in salaries and wages expenses, incentives to staff, contributions towards gratuity, provident fund and state insurance, other employee benefits expenses, etc.

Finance Cost

Our finance cost was Rs. 139.63 lakhs for FY16 while in FY16; the finance of cost was Rs. 100.98 lakhs which is 27.68% more than previous year. The increase was due to availment of term loan in FY16.

Depreciation

Depreciation expenses were Rs. 198.00 lakhs in FY16 as compared to 103.78 lakhs in FY15. The increase in depreciation was due to implementation of Companies Act, 2013

Other Expenses

Our other expenses were Rs. 977.89 lakhs in FY16 which is 16.29% more than other expenses of previous year. The increase was majorly due to increase in electricity cost and factory expenses.

Net Profit

Our net profit for the FY16 was Rs. 320.55 lakhs which is 24.18% more than previous year. The increase in profit was mainly due increase in sales and better operational efficiency as compared to previous financial year.

Other Matters

Unusual or infrequent events or transactions

Except as described in this Draft Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

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

Other than as described in the section titled "*Risk Factors*" beginning on page 21 of this Draft Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

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

Other than as disclosed in the "*Risk Factors*" beginning on page 21 of this Draft Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Future relationship between Costs and Income

Our Company's future costs and revenues will be determined by demand/supply situation, government policies, global market situation and prices of raw material.

The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices.

The increase in revenue is by and large linked to increases in volume of business activity by the Company.

Total turnover of each major industry segment in which the issuer company operates.

The Company is operating in the Pharmaceutical Industry. Relevant industry data, as available, has been included under section titled "*Our Industry*" beginning on page 119 of this Draft Prospectus.

Status of any publicly announced new products/projects or business segments

Our Company has not announced any new projects or business segments, other than disclosed in the Draft Prospectus.

The extent to which the business is seasonal

Our Company's business is not seasonal in nature.

Any significant dependence on a single or few suppliers or customers

Our Company is not dependent on a single or few suppliers or customers.

Competitive Conditions

We face competition from existing and potential organized and unorganized competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in chapter titled "*Our Business*" beginning on page 131 of this Draft Prospectus.

Changes in Accounting Policies in last three (3) years

There has been no other change in accounting policies in the last three years. For further details, please refer to section titled "*Financial Statements*" beginning on page 195 of this Draft Prospectus

FINANCIAL INDEBTNESS

Our Company and Subsidiaries avail loans in the ordinary course of business for the purposes of working capital requirements. For the Issue, our Company has obtained the necessary consents required under the relevant loan documentations for undertaking activities, such as change in its capital structure, change in its shareholding pattern or change or amendment to the constitutional documents of our Company.

Pursuant to a special resolution of our Shareholders passed at the extraordinary general meeting held on January 16, 2018, our Board has been authorized to borrow, from time to time, such sums of money as our Board may deem fit for the purpose of the business of our Company, whether secured or unsecured, notwithstanding that the monies to be borrowed, together with the monies already borrowed by our Company (apart from temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business), would exceed the aggregate of the paid-up capital and free reserves of our Company provided that the total amount which may be borrowed by our Board, and outstanding at any time, shall not exceed Rs. 70.00 lakhs for the time being, including the money already borrowed by our Company. As on the date of filing of this Prospectus, the overall borrowings of our Company do not exceed the overall limit as specified under Section 180(1)(c) of the Companies Act, 2013.

Our current facilities are sanctioned by Kotak Mahindra Bank Limited.

Term Loan amounting to Rs. 540.00 lakhs was sanctioned by Kotak Mahindra Bank Limited vide their sanction letter dated August 1, 2016.

Credit facilities availed during the financial year 2017-18 are as under which are further revised vide a Sanction Letter dated January 29, 2018. However, we have not availed the fresh term loan as on the date of Draft Prospectus.

Purpose	Existing Limits	Revised Limits	Rate of interest	Outstanding amount as on 31.01.2018 as per restated financials	Margin
Fund Based Loans					
Cash Credit	800.00	800.00	6M MCLR + 1.15%	536.49	25% on Stock & 40% on Book Debts upto 120 days
WCTL	300.00		6M MCLR + 1.20%	292.81	NA
Term Loan	375.00	375.00*	6M MCLR + 1.05%	352.90	NA
Term Loan (Fresh)	-	1,000.00	6M MCLR + 1.05%	NA	NA
Total	1,475.00	2,475.00			
Non Fund Based Loans					
BG (F/P)	25.00	25.00	1.00% p.a.	Nil	
Letter of Credit (I/F)	250.00	250.00	1.00% p.a.	Nil	
Total	275.00	275.00			
Forex Treasury					
Forex Forward LER	50.00	50.00	NA	Nil	
Total	50.00	50.00			
Total Exposure	1,965.00	2,800.00			

*Carried forward of previous term loan

Primary Security

First and exclusive Charge on all existing and future receivables/current assets/movable assets/moveable fixed assets of the Borrower

Collateral Securities

- 1) First & Exclusive charge on Immovable properties being land & building situated at Plot No. J-76 & J-76/PT, MIDC, Tarapur, Dist. Palghar, Boisar-401506, Maharashtra. Owned by Medibios Laboratories Pvt. Ltd
- 2) First Pari-passu charge on immovable property being flat no. B-5, first floor, Varun CHS-Boisar Palghar Road, Near Trivedi Compound, Boisor West, Village Saravli,
- 3) First Pari-passu charge on immovable property being flat no. B-5, First Floor, Varun CHS- Boisar Palghar Road, Near Trivedi Compound, Boisar West.
- 4) First Pari-passu charge on immovable property being flat no. 4, Ground Floor, Wing B, Vidhata CHS Ltd, Survey No. 102 Part, 104 Part. Hissa No. 1 Part, Village Boisar.
- 5) First Pari-passu charge on immovable property being flat no. 5, Ground Floor, Shanti Sagar CHS Ltd, Village Boisar. Survey No. 31.
- 6) The Property Serial No. 3, 4 & 5 will be mortgaged.
- 7) Title Search Report of the property to be found satisfactory to the Bank.
- 8) Collateral Charge to the Bank are subject to the valuation at least once in 2 years or at shorter periodicity.

**SECTION VI: LEGAL AND OTHER INFORMATION
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENT**

LEGAL AND OTHER INFORMATION

A. OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

I. LITIGATIONS INVOLVING THE COMPANY

i. *Criminal Proceedings*

There are no pending criminal proceedings instituted by or against the Company.

ii. *Actions by statutory/regulatory authorities*

There are no pending actions by statutory/ regulatory authorities against the Company.

iii. *Taxation*

Appeal before the Customs, Excise & Service Tax Appellate Tribunal (“CESTAT”), West Zonal Bench, Mumbai

The Company is engaged in the manufacture and sale of medicaments classifiable under chapter 30 of the Central Excise Tariff Act, 1985 (“**Tariff Act**”). The Company was granted benefit of deferred payment of sales tax under Section 38(4) of the Bombay Sales Tax Act, 1959 (“**Sales Tax Act**”). Subsequently, Section 38(4) of the Sales Tax Act was amended and Rule 31D was inserted in the Sales Tax Act whereby the companies availing the benefit of deferred payment of sales tax were given an option to pre-pay their deferred sales tax liability at the net present value of the deferred taxes. During the period of 2003-2004 and 2004-2005 the Company had recovered sales tax of Rs. 1,85,11,121 (Rupees One Crore Eighty Five Lakhs Eleven Thousand One Hundred and Twenty One only) and had deposited an amount of Rs. 64,09,391 (Rupees Sixty Four Lakhs Nine Thousand Three Hundred and Ninety One only) which represented the net present value of the total amount collected. The amount of Rs. 1,21,01,730 (Rupees One Crore Twenty One Lakhs One Thousand Seven Hundred and Thirty only) was waived by the Maharashtra Government as amount was paid under Section 38(4) of the Sales Tax Act.

On 14 June, 2007 the Office of the Commissioner of Central Excise Thane-II, Mumbai issued a show cause notice against the Company contending that the Company had contravened provisions of the Central Excise Act, 1944 (“**Excise Act**”) by not paying duty on the additional consideration received by it under Section 38 of the Sales Tax Act. The Company was asked to justify why the amount of Rs. 19,59,071 (Rupees Nineteen Lakhs Fifty Nine Thousand and Seventy One only) should not be recovered under proviso to Section 11A (1) of the Excise Act in addition to penalty and interest, under the relevant provisions of the Excise Act. The Company replied to the show cause notice through letter dated 20 March, 2015 and pursuant to a personal hearing on 29 April, 2015 an order in original was passed by the Joint Commissioner, Central Excise Thane-II on 12 June, 2015. The order confirmed the demand of Rs. 19,59,071 (Rupees Nineteen Lakhs Fifty Nine Thousand and Seventy One only) and also imposed an equal amount of penalty. Aggrieved by the aforesaid order in original the Company appealed before the Commissioner (Appeals) Central Excise, Thane-II. The Commissioner (Appeals) through order in appeal dated 20 December, 2016 set aside the order in original and dropped the entire demand. The Excise Department appealed before the CESTAT against the order in appeal on 6 March, 2017. The Company filed a cross objection on 25 May, 2017. Since, the Company delayed the filing of the cross objection, it filed a miscellaneous application for condonation of delay on 20 June, 2017. The appeal is currently pending before the CESTAT, West Zonal Bench, Mumbai.

iv. *Other pending litigations*

There are other pending litigations instituted by or against the Company.

II. LITIGATIONS INVOLVING THE DIRECTORS OF THE COMPANY

i. *Criminal Proceedings*

There are no pending criminal proceedings instituted by or against the Directors of the Company.

ii. *Actions by statutory/regulatory authorities*

There are no pending actions by statutory/ regulatory authorities against the Directors of the Company.

iii. *Taxation*

There are no pending taxation proceedings against the Directors of the Company.

iv. *Other pending litigations*

There are no other pending litigations against the Directors of the Company.

III. LITIGATIONS INVOLVING THE PROMOTERS OF THE COMPANY

i. *Criminal Proceedings*

There are no pending criminal proceedings instituted by or against the Promoters of the Company.

ii. *Actions by statutory/regulatory authorities*

There are no pending actions by statutory/ regulatory authorities against the Promoters of the Company.

iii. *Taxation*

There are no pending taxation proceedings against the Promoters of the Company.

iv. *Other pending litigations*

There are no other pending litigations against the Promoters of the Company.

IV. LITIGATIONS INVOLVING THE GROUP COMPANY OF THE COMPANY

i. *Criminal Proceedings*

Pending action against Sambhaji R. Varne for dishonour of cheques before the Court of Sessions for Greater Bombay, Dindoshi, Borivali Division

EMIL Pharmaceuticals India Private Limited (“**EMIL**”) had initiated criminal proceedings under Section 138 of the Negotiable Instruments Act, 1881 for the dishonour of cheques against Sambhaji R. Varne, proprietor of Apurva Biopharm Inc. (“**Accused**”). EMIL had supplied certain products to the Accused for which payments were due and cheques were provided as collateral security towards the same with EMIL. Upon deposit of the cheques amounting to Rs. 20,00,000 (Rupees Twenty Lakhs only), EMIL was informed that the applicable bank had received instructions to stop payment from the Accused of the said cheques. Summons were issued to the Accused who appeared before the Chief Metropolitan Magistrate Court, Esplanade, Mumbai and requested transfer of the case to the 27th or 53rd Court at Mulund, which plea was rejected. Thereafter, non-bailable warrants have been issued against the Accused. The case was transferred multiple times to different courts and is currently pending before the 26th Morning Court, Borivali for recording the plea of the Accused through his advocate.

Meanwhile, EMIL initiated proceedings under Section 385 of the Code of Criminal Procedure, 1973 before the Metropolitan Magistrate, 19th Morning Court, Borivali. The 19th Morning Court, Borivali passed an order for the issuance of process against the Accused. Thereafter, the Accused filed a Criminal Writ Petition before the Hon’ble Bombay High

Court and the Bombay High Court granted him liberty to approach the Court of Sessions for Greater Bombay, Dindoshi, Borivali Division. The Hon'ble High Court granted the Accused time of one month to file the Revision Application. The Accused filed a Revision Application dated 20 July, 2013, before the Court of Sessions for Greater Bombay, Dindoshi, Borivali Division challenging the issuance of process, which is presently pending. Based on recording of his plea before Court of Sessions for Greater Bombay, Dindoshi, Borivali Division, the next date of hearing has been scheduled in June, 2018.

ii. *Actions by statutory/ regulatory authorities*

There are no pending actions by statutory/ regulatory authorities against the Group Company.

iii. *Taxation*

Appeal before the Commissioner (Appeals-I), Mumbai, Central Excise

On 5 December, 2008 the Office of the Commissioner of Central Excise: Thane-II, Mumbai issued a show cause notice against EMIL by contending that the EMIL had contravened provisions of the Excise Act by not paying duty on the additional consideration received by it under the Package Incentive Scheme under the Sales Tax Act. EMIL was asked to justify why the amount of Rs. 18,52,813/- (Rupees Eighteen Lakhs Fifty Two Thousand Eight Hundred and Thirteen only) not be recovered from EMIL as per proviso to Section 11A (1) of the Excise Act alongwith penalty and interest. Reply was filed by EMIL on 30 January, 2009 and pursuant to personal hearing on 29 April, 2015 (when they appeared) and additional submission dated 21 April, 2015 (filed at the time of personal hearing), an order in original was passed on 13 July, 2015 by the Joint Commissioner, Central Excise, Thane-II, upholding the demand of Rs. 18,52, 813/- (Rupees Eighteen Lakh, Fifty Two Thousand, Eight Hundred and Thirteen only) from EMIL and also imposing an equal amount of penalty. Thereafter, EMIL filed an appeal against the aforesaid order in original before the Commissioner (Appeals-I) of Central Excise on 10 September, 2015. The Commissioner (Appeals-I) in the Order in Appeal (“**OIA**”) dated 28 February, 2017 set aside the order in original and allowed the appeal. However, the OIA was under the review by the Committee of Commissioners (“**Committee**”) comprising of the Commissioners of Central Excise, Thane II & Thane I, Mumbai Zone-I. The Committee opined that the OIA was not legal or proper and directed Commissioner, Central Excise, Thane-II to file an appeal before the CESTAT. On 9 June, 2017 the Commissioner, Central Excise, Thane-II filed an appeal against the OIA before the CESTAT and the appeal is currently pending.

Appeal before the Customs, Excise and Service Tax Appellate Tribunal, West Zonal Bench, Mumbai (Cardiovit matter)

EMIL is a manufacturer of pharmaceutical products listed under Chapter sub-heading no. 3003.10 of the Tariff Act. One such product EMIL manufactured was “Cardiovit” and EMIL was paying Central Excise Duty at the rate of 16% *ad-valorem* at the time of clearance. EMIL supplied its entire production of Cardiovit to Duchem Laboratories Limited (“**Duchem**”). Duchem in turn sold Cardiovit at 8% to 12.5% more than the rate at which they purchased the product from EMIL. In pursuance of an agreement dated 3 April, 1999 executed by and between EMIL and Pfizer Limited (“**Pfizer**”) (the parent company of Duchem), Pfizer agreed to provide marketing services to EMIL for products manufactured by EMIL from time to time. Given the interlinked relations through Pfizer, between EMIL and Duchem, the Central Excise Department (“**Department**”) issued a show cause notice dated 1 October, 2004 (“**Show Cause Notice**”) contending that EMIL and Duchem were ‘related persons’ under Section 4(3)(b)(iv) of the Excise Act and that the two were ‘interconnected undertakings’ within the meaning of Section 4(3)(b)(2) of the Excise Act, and therefore not separate entities. The Show Cause Notice indicated the demand by the Department of charging duty for the period of September, 1999 to April, 2003 from EMIL. By an order dated 20 July, 2005, the Additional Commissioner of Central Excise, Thane-II confirmed the duty demand amounting to Rs. 37, 50,312/- (Rupees Thirty Seven Lakhs Fifty Thousand Three Hundred and Twelve

only), interest and penalty of an equal amount under Sections 11B and 11AC of the Excise Act. EMIL thereafter appealed to the Commissioner of Central Excise (Appeals) on 29 September, 2005 praying for setting aside the order passed by the Additional Commissioner of Central Excise, Thane-II and other consequential reliefs. EMIL also made an application to Commissioner of Central Excise (Appeals) for stay and waiver of pre-deposit of central excise duty and penalty amount. The Commissioner of Central Excise (Appeals) dismissed the appeal and rejected the application for stay and waiver of pre-deposit of central excise duty and penalty of equal amount. EMIL appealed before the CESTAT and preferred another application for stay and waiver of pre-deposit of central excise duty and penalty of equal amount. The CESTAT by its order dated 24 May, 2006 allowed the application and dispensed with the pre-deposit of central excise duty, penalty and stayed the recovery of such duty and penalty till pendency of the appeal. The CESTAT granted further extensions of the stay till final disposal of the appeal. The CESTAT allowed the appeal filed by EMIL by its order dated 20 April, 2017 and held that the Department failed to prove that Duchem and Pfizer became one entity by virtue of both parties falling under the definition of interconnected undertakings. The CESTAT also observed that the relationship between EMIL and Pfizer was purely a commercial transaction where Pfizer merely acted as a service provider to whom EMIL was paying for availing marketing services. The order of Additional Commissioner of Central Excise, Thane-II demanding central excise duty, interest and penalty is thus, set aside and the appeal is allowed. The appeal is currently pending before the CESTAT, West Zonal Bench, Mumbai.

Appeal before the Customs, Excise and Service Tax Appellate Tribunal, West Zonal Bench, Mumbai (Animal feed supplement matter)

EMIL is engaged in the manufacture of pharmaceutical products and animal feed supplements. EMIL classifies these products under chapter heading 23099090 of the First Schedule to the Tariff Act attracting “nil” duty by EMIL. During the audit of the records of EMIL, it was noticed that EMIL had wrongly classified animal feed supplements under the heading 23099090 instead of chapter heading 3003 or 3004 of the Tariff Act. Accordingly, on 29 March, 2013, the Additional Commissioner of Central Excise, Thane-II issued a show cause notice (“**Show Cause Notice I**”) to EMIL for not paying duty for the period April, 2008 to November, 2012. The duty of Rs. 1,66,27,016 (Rupees One Crore Sixty Six Lakhs Twenty Seven Thousand and Sixteen only) was demanded alongwith interest and penalty for the said period. EMIL replied to the Show Cause Notice I on 25 June, 2013. However, the entire demand was upheld and an equal amount of penalty was also imposed by the Commissioner of Central Excise, Thane-II by its order in original dated 26 July, 2013. Being aggrieved by the said order, EMIL appealed to the CESTAT, Mumbai alongwith a stay application. On 28 January, 2014 the CESTAT allowed the stay application in favour of EMIL.

Similarly, based on the order in original dated 26 July, 2013, EMIL was issued two periodical show causes notices on 17 December, 2013 for the period of December 2012 to June 2013 (“**Show Cause Notice II**”) and 30 June, 2014 for the period July 2013 to March 2014 (“**Show Cause Notice III**”). The amounts demanded under the Show Cause Notice-II and Show Cause Notice-III were Rs. 40,28,912 (Rupees Forty Lakhs Twenty Eight Thousand Nine Hundred and Twelve only) and Rs. 21,92,313 (Rupees Twenty One Lakhs Ninety-Two Thousand Three Hundred and Thirteen only), respectively. EMIL *vide* letter dated 13 January, 2014 submitted its reply to Show Cause Notice II and Show Case Notice III on the basis of which personal hearing was provided on 11 March, 2016. Both Show Cause Notice II and Show Cause Notice III were clubbed for adjudication. Thereafter, the Commissioner of Central Excise, Thane-II on 23 March, 2016 passed an order in original confirming the demand of central excise duty under Show Cause Notice II and Show Cause Notice III amounting to Rs. 62,21,225 (Rupees Sixty Two Lakh Twenty One Thousand, Two Hundred and Twenty-Five only) under Section 11A of the Excise Act, accrual of interest under Section 11AA of the Excise Act and penalty of an equal amount under Section 11AC of the Excise Act.

Further, on 6 April, 2015, the Deputy Commissioner of Central Excise, Boisar-I Division, Thane-II issued a periodical show cause notice for the period April 2014 to September 2014 (“**Show Cause Notice IV**”) to EMIL contending that EMIL had failed to pay Rs. 1,96,723 (Rupees One Lakh Ninety-Six Thousand Seven Hundred and Twenty-Three only) on animal feed supplements manufactured by it. EMIL was granted personal hearing on 17 November, 2015, pursuant to which an order in original dated 30 November, 2015 was passed by the Assistant Commissioner of Central Excise, Boisar-I, Division Thane-II confirming the demand of Rs 1,96,723 (Rupees One Lakh Ninety Six Thousand Seven Hundred and Twenty Three only) under Section 11A(1) of the Excise Act and penalty of an equal amount under Section 11AC(1)(c) of the Excise Act and interest at the appropriate rate under Section 11 AA of the Excise Act.

EMIL has, thereafter, appealed to the Commissioner of Central Excise (Appeals), Mumbai-I against the orders in original dated 23 March, 2016 (issued in relation to Show Cause Notice II and Show Cause Notice III) and 30 November, 2015 (issued in relation to Show Cause Notice IV). Pursuant to a personal hearing on 12 January, 2017, the Commissioner of Central Excise (Appeals), Mumbai-I, on 2 March, 2017, dismissed the appeals on the ground that the order of Commissioner of Central Excise, Thane-II dated 26 July, 2013 (issued in relation to Show Cause Notice I) shall equally apply to the present orders in original. EMIL, thereafter, filed an appeal before the CESTAT, Mumbai on 8 June, 2017 against the said orders. The appeals are currently pending before the CESTAT, West Zonal Bench, Mumbai.

iv. Other pending litigations

There are no other pending litigations against the Group Company of the Company.

V. LITIGATIONS INVOLVING THE SUBSIDIARIES OF THE COMPANY

i. Criminal Proceedings

There are no pending criminal proceedings instituted by or against the Subsidiaries of the Company.

ii. Actions by statutory/regulatory authorities

There are no pending actions by statutory/ regulatory authorities against the Subsidiaries of the Company.

iii. Taxation

There are no pending taxation proceedings against the Subsidiaries of the Company.

iv. Other pending litigations

There are no other pending litigations against the Subsidiaries of the Company.

A summary of tax proceedings involving the Company and Group Companies are stated below:

Sr. No.	Nature of the case	Number of Cases	Amount involved (INR)
A. Company			
1.	Indirect Tax (i) Sales Tax	1	39,18,142
B. Group Company			
1.	Indirect Tax (i) Sales Tax	1	37,05,626
	(ii) Excise Duty	2	5,35,90,552
Total			6,12,14,320

VI. OUTSTANDING DUES TO CREDITORS

Our Company has vide resolution dated March 20, 2018 has resolved material creditors to be creditors to whom we owe more than Rs. 50.00 lakhs as on January 31, 2018. The material dues owed to creditors as on January 31, 2018 exceeding Rs. 50.00 lakhs are set out below:

Material Creditors	Amount involved (Rs. in lakhs)
Ind-swift Laboratories Limited	128.84
Ipcalaboratories Limited	107.27
Kantilal Manilal & Co. Private Limited	65.09
Lasa Supergenerics Limited	21.92
Mehta Pharmaceutical Industries	92.93

GOVERNMENT AND OTHER STATUTORY APPROVALS

Licenses and Other Approvals

We have received the necessary licenses, permissions and approvals from the Government of India and various other governmental agencies required for our business and except as disclosed in this Prospectus, no further material approvals are required for carrying on our business operations. 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 the Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf. The objects clause of the Memorandum of Association of the Company enables our Company to carry out its activities

For further details in connection with the regulatory and legal framework within which we operate, please refer to the section titled “*Key Industrial Regulations*” on page 153 of this Prospectus.

I. Approvals for the issue

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act, 2013 (“Act”) and other applicable provision of the Act, by a resolution passed at its meeting held on January 16, 2018, authorizing the issue, subject to the approval of the shareholders and such other authorities, as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Act and other applicable provision of the Act, by a resolution passed at their meeting held on 9 February, 2018 authorizing the issue.
3. Resolution of the Board of Directors of Emil Pharmaceutical Industries Private Limited (Selling Shareholder) dated February 9, 2018, authorizing Offer for Sale of Shares in our Company.
4. In-principle approvals from NSE Emerge dated [•] for listing Equity Shares issued by the Company pursuant to the Issue.

II. Approvals pertaining to incorporation, name and constitution of the Company

1. The Certificate of Incorporation dated 8 March, 1995 issued by the Registrar of Companies, Maharashtra in the name of “MEDIBIOS LABORATORIES PRIVATE LIMITED”.
2. The Corporate Identification Number (CIN) of the Company is U24230MH1995PTC086180.

III. General Approvals

APPROVALS/LICENSES/PERMISSIONS PROCURED TO CONDUCT THE BUSINESS


Sr. No.	Nature of Registration/License	Registration/License No.	Issuing Authority	Date of Issue	Date of Expiry
A. Constitutional Registration					
1.	Certificate of Incorporation	11-86180 of 1995	Registrar of Companies, Maharashtra	8 March, 1995	Perpetual
B. Tax Registration					
2.	Certificate of Registration under the Maharashtra Value Added Tax Act, 2002	TIN 27780350756V	Commercial Tax Department, Government of Maharashtra	14 July, 2011 Beginning of validity of certificate from: 1 April, 2006	Valid until cancelled
3.	Certificate of Registration under the Central Sales Tax (Registration &	TIN 27780350756C	Department of Sales Tax, Government of Maharashtra	Beginning of validity of certificate from:	Valid until cancelled

Sr. No.	Nature of Registration/License	Registration/License No.	Issuing Authority	Date of Issue	Date of Expiry
	Turnover) Rules, 1957			1 April, 2006	
4.	Permanent Account Number	AABCM4875D	Income Tax Department, Government of India	8 March, 1995	Perpetual
5.	Central Excise Registration Certificate	AABCM4875DX M001	Maharashtra State Excise, Government of Maharashtra	6 April, 2005	Valid till the Company carries on the activity for which it has been issued or surrenders it or it is revoked or suspended
6.	Importer-Exporter Code	0398044597	Office of the Joint Director General of Foreign Trade	28 October, 1998	Valid until cancelled
7.	Certificate of Registration issued in respect of the Service Tax Code Registration	AABCM4875DS002	Central Board of Excise and Customs, Ministry of Finance, Department of Revenue	24 December, 2010	Valid until cancelled
8.	GST Registration Certificate under the provision of Central Goods Service Tax Act, 2017	27AABCM4875D1ZG	Government of India	22 September, 2017	Valid until cancelled
9.	Certificate of Registration under Section 5(1) of the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	PT/R/1/2/4/1092 326894	Office of the Assistant Commissioner of Sales Tax (Profession Tax) 001 Palghar	9 September, 1997	Valid until cancelled
C. Labour Related Approvals					
10.	Registration of the Company under the Employee State Insurance Act, 1948	3500038774000099	Employees' State Insurance Corporation	25 February, 2017	Valid until cancelled
11.	EPF Scheme 1952-Issue of Annual Statements for 2006-2007	MH/91266	Office of the Regional Provident Fund Commissioner	5 February, 2009	
D. Other Business related approvals					
12.	Entrepreneurs	E.M. Number Part	District Industries	14 September,	Valid until

Sr. No.	Nature of Registration/License	Registration/License No.	Issuing Authority	Date of Issue	Date of Expiry
	Memorandum Acknowledgement for Manufacture Enterprise for the manufacture of tablets, capsules, external preparations, dry syrup/powder	II- 27-021-12-01013	Centre Thane	2007	cancelled
13.	Registration Certificate of Establishment under the Maharashtra Shops and Establishments Act, 1948	760044849/ Commercial II Ward RC	Inspector under the Maharashtra Shops and Establishments Act, 1948	1 April, 2008	31 December, 2019
14.	Registration under the Dun & Bradstreet Global Database	D&B D-U-N-S No. 91-726-3428	Dun & Bradstreet Information Services India Pvt. Ltd.	5 May, 2006	--
15.	License Renewal for manufacturing 229 products and 417 ingredients at own premises	License No. 25-KD/276	Food & Drugs Administration, Konkan Division, Maharashtra State	1 January, 2017	31 December, 2021
16.	License Renewal for manufacturing 37 products and 126 ingredients at own premises	License No. 28-KD/226	Food & Drugs Administration, Konkan Division, Maharashtra State	1 January, 2017	31 December, 2021
17.	ISO 9001:2008 certification for the auditing of the Quality Management System of the Company	91/Q/5346	IQCS Certification Private Limited	11 May, 2015	10 May, 2018

B. INTELLECTUAL PROPERTY IN RELATION TO THE COMPANY

Trademarks registered in the name of the Company

Sr. No.	Trademark	Trademark Type	Class	Application No.	Date of Application	Validity	Registration Status
1.	AMLOSAVE E	Word	5	1797816	20 March, 2009	20 March, 2019	Registered
2.		Word	5	2792633	19 August, 2014	19 August, 2024	Registered
3.	ERYFAST	Word	5	1605322	25 September, 2007	25 September, 2027	Registered
4.	MEDILUKAS T	Word	5	1797817	20 March, 2009	20 March, 2019	Registered
5.	MEDIPRAZO	Word	5	1797818	20 March,	20 March,	Registered

Sr. No.	Trademark	Trademark Type	Class	Application No.	Date of Application	Validity	Registration Status
	L				2009	2019	
6.	MEDITRAM	Word	5	1797815	20 March, 2009	20 March, 2019	Registered
7.	MENTHOCURE	Word	5	2830908	21 October, 2014	21 October, 2024	Registered
8.	MOCETAXL	Word	5	2051066	9 November, 2010	9 November, 2020	Registered
9.	OXLISTAT	Word	5	2051067	9 November, 2010	9 November, 2020	Registered
10.	PARANOGO	Word	5	1648034	30 January, 2008	30 January, 2028	Registered
11.	REMECARB	Word	5	2051069	9 November, 2010	9 November, 2020	Registered
12.	VinMed	Word	5	2792632	19 August, 2014	19 August, 2024	Registered

Pending Approvals/Registrations applies for by the Company

The Company has applied for the renewal of its factory license through a letter addressed to Office of Joint Director, Industrial Safety & Health dated 12 October, 2017. The license was renewed for the period of 2018 to 2020. The Company has paid the requisite registration and renewal fee on 24 October, 2017.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Fresh Issue

The Board of Directors, pursuant to a resolution passed at their meeting held on January 16, 2018 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1) (c) of the Companies Act, 2013, and such other authorities as may be necessary. The shareholders of our Company have, pursuant to a special resolution passed under Section 62 (1) (c) of the Companies Act, 2013 at an Extra Ordinary General Meeting held on February 9, 2018 authorized the Issue.

Offer for Sale

The Offer for Sale has been authorised by a resolution of the Board of Directors of the Company passed at their meeting held on February 9, 2018. The Selling Shareholder i.e. Emil Pharmaceutical Industries Private Limited has also authorised the sale of their Equity Shares pursuant to the Offer through their Authorization letter dated February 9, 2018.

The Equity shares being offered by the Selling Shareholders have been held for a period of at least one year prior to the date of filing of this Draft Prospectus and, hence, eligible for being offered for sale in the Offer. The Selling Shareholders have confirmed that they have not been prohibited from dealings in securities market and the Equity Shares offered and to be sold are free from any lien, encumbrance or third party rights.

Our Company has obtained in-principle approval from the SME Platform of NSE for using its name in this Draft Prospectus/Prospectus pursuant to an approval letter dated [●] NSE is the Designated Stock Exchange.

Prohibition by SEBI or other Governmental Authorities

We confirm that there is no prohibition on our Company, Selling shareholder, our Promoter, our Promoters Group, our Directors, our Group Companies or the natural person(s) in control of our Company from accessing or operating in the Capital Markets or restrained from buying, selling or dealing in securities under any order or direction passed by the Board (SEBI) or any other authorities.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

Neither of our Promoter, Selling shareholder, Promoter Group, Directors or the person(s) in control of our Company, has ever been part of Promoter, Promoter Group, Directors or the person(s) in control 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.

Association with Securities Market

None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or directors.

Prohibition by RBI

Neither our Company, Selling shareholder, our Promoter, our Directors, Group Companies, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a will full defaulter by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter "*Outstanding Litigations and Material Development*" on page 206 of this Draft Prospectus.

Eligibility for the Issue

Our Company is eligible in terms of Regulations 4(2) of SEBI ICDR Regulations for this Issue.

Our Company is an “Unlisted Company” in terms of the SEBI (ICDR) Regulations; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 106(M) (1) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are a company whose post issue paid up capital is not more than 10.00 Crore and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange, in this case being the “SME Platform of NSE”.

We confirm that:

1. In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this issue is 100% underwritten and that the LM to the Issue Shall underwrites minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled “**General Information – Underwriting**” on page 68 of this Draft Prospectus.
2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working 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 (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.
3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any of this Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits a copy of the 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.
4. In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement with the Lead Manager and will enter into agreement with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the SME Platform of NSE. For further details of the arrangement of market making please refer to section titled “**General Information – Details of the Market Making Arrangements for this Issue**” on page 68 of this Draft Prospectus.
5. We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter XB 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, 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.

6. Our Company has facilitate trading in demat securities and has entered into an agreement with NSDL and will enter into an agreement with CDSL. The Company has entered into an agreement for registration with the Central Depository Services Limited (CDSL) dated [●] and National Securities Depository Limited dated [●] for establishing connectivity
7. Our Company has a website i.e. www.medibios.in
8. There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to NSE for listing on SME segment.

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of the NSE (NSE EMERGE):-

1. Our Company was originally incorporated as Medibios Laboratories Private Limited on March 08, 1995 as a private limited company under the Companies Act, 1956 with Registrar of Companies, Maharashtra, Mumbai, India.

2. The post issue paid up capital of the company will be [·] shares of Face Value of Rs. 10/- aggregating to Rs. [·] which is less than Rs. 25,00,00,000.
3. The Company confirms that it has track record of more than 3 years.
4. The Company confirms that it has positive cash accruals (earnings before depreciation and tax) from operations for atleast 2 financial years preceding the application and its net-worth as on January 31, 2018 is positive.
5. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
6. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
7. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
8. Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, Group Companies, companies promoted by the promoters of the company.

Compliance with Part A of Schedule VIII of the SEBI (ICDR) Regulations

Our Company is in compliance with the provisions specified in Part A of the SEBI (ICDR) Regulations. No exemption from eligibility norms has been sought under Regulation 109 of the SEBI (ICDR) Regulations, with respect to the Issue. Further, our Company has not been formed by the conversion of a partnership firm into a company.

As our Company has filed the Draft Prospectus with NSE Emerge, Lead Manager is not required to submit the Due Diligence certificate. However, a draft of such certificate with necessary modifications is presented below which shall be submitted to Registrar of Companies, SEBI and Stock Exchange while filing of Prospectus with them.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (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, ASIT C MEHTA INVESTMENT INTERMEDIATES LTD HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER, ASIT C MEHTA INVESTMENT INTERMEDIATES LTD IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED [●] WHICH READS AS FOLLOWS:

WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE 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 THE 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, 2013, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE 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 FULFILL THEIR UNDERWRITING COMMITMENTS.**
- 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER 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 PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.**

6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE 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 ALL THE STOCK EXCHANGES MENTIONED IN THE 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 THAT A DISCLOSURE HAS BEEN MADE IN THE PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. - NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, THE EQUITY SHARES ARE TO BE ISSUED IN DEMATERIALIZED FORM ONLY.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:

- A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY AND
- B. AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE. – NOTED FOR COMPLIANCE
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT 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 BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)’, AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015.
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS-TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD-18 IN THE FINANCIAL INFORMATION OF THE COMPANY INCLUDED IN THE PROSPECTUS.

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

1. WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE COMPANY HAVE BEEN MADE IN PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE COMPANY OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH

PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN. – NOTED FOR COMPLIANCE

- 3. WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 - NOTED FOR COMPLIANCE.**
- 4. WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER – NOTED FOR COMPLIANCE.**
- 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 THE 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, section 35, Section 36 and Section 38 (1) 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 the 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, Maharashtra, Mumbai in terms of sections 26, 32 and 33 of the Companies Act, 2013.

Statement on Price Information of Past Issues handled by Asit C Mehta Investment Interrmediates Ltd: ANNEXURE A

Track Record of past issues handled by Asit C Mehta Investment Interrmediates Ltd

For details regarding track record of LM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the LM at: www.investmentz.com

Disclaimer from our Company, Selling Shareholder, Director and the Lead Manager

Our Company, its Directors, Selling Shareholder 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 would be doing so at his or her own risk.

The LM accept no responsibility, save to the limited extent as provided in the agreement entered between the LM (Asit C Mehta Investment Interrmediates Ltd), Selling Shareholder and our Company on [●] and the Underwriting Agreement dated [●] entered into between the Underwriters, Selling Shareholder and our Company and the Market Making Agreement dated [●] entered into among the Market Maker, LM and our Company.

All information shall be made available by our Company, Selling Shareholder 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, at collection centres or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Companies, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Companies, and our affiliates or associates or selling shareholder, 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, Selling Shareholder and 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 the Equity Shares in the Issue.

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 applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹ 2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that 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 or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Mumbai, Maharashtra, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby 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 no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause of the SME Platform of NSE

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter [●] permission to the Company to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Company's securities are proposed to be listed. The Exchange has scrutinized draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this

Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its Promoter, its management or any scheme or project of this Company.

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

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 under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and 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 Bids 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

The Draft Prospectus is being filed with National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra- Kurla Complex, Bandra (East), Mumbai-400051, Maharashtra

A copy of this Draft Prospectus shall not be filed with the SEBI, nor will SEBI issue any observation on the Prospectus in term of Regulation 106(M) (3) of the SEBI (ICDR) Regulations. However, a copy of the Prospectus shall be filed with SEBI at Plot No. C4-A, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra-400051 for their record purpose only.

A copy of the Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies, 100, Everest, Marine Drive, Mumbai- 400002.

Listing

The Equity Shares of our Company are proposed to be listed on SME Platform of NSE. Our Company has obtained in-principle approval from NSE by way of its letter dated [●] for listing of equity shares on SME Platform of NSE.

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Prospectus. If such money is not repaid within the prescribed time then our Company and selling shareholder becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the 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 NSE mentioned above are taken within Six (6) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Offer within Six (6) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company and Selling Shareholder shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period subject to applicable law.

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 to action under section 447 of the Companies, Act 2013

Consents

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Our Peer Review Auditor, Selling Shareholder, Banker to the Company*; (b) Lead Manager to the Issue, Registrar to the Issue, Banker to the Issue*, Legal Advisor to the Company, Legal Advisor to the Issue, Underwriter to the Issue* and Market Maker to the Issue* to act in their respective capacities have been obtained as required as required under section 26 of the Companies Act, 2013 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 will not be withdrawn up to the time of delivery of the Prospectus for registration with the ROC.

**The aforesaid will be appointed prior to filing of the Prospectus with ROC and their consents as above would be obtained prior to the filing of the Prospectus with ROC.*

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s KPND & Co., Peer Review Auditors of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and restated Standalone financial statements as included in this Draft Prospectus/Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Draft Prospectus.

Expert's Opinion

Except for the reports in the section “**Financial information of the Company**” and “**Statement of Tax Benefits**” on page 195 and page 116 of this Draft Prospectus from the Peer Review Auditors, our Company has not obtained any expert opinions. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

Expenses of the Issue

The total expenses of the Issue are estimated to be approximately Rs. [●] Lakhs, which is [●] of the Issue size. The estimated Issue related expenses include Issue Management Fee, underwriting and management fees SCSB's commission/ Selling commission, fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees. All expenses with respect to the Issue would be paid by our company and selling shareholder as decided mutually. However, the issue related expenses will be shared between our Company and the Selling Shareholder.

The Estimated Issue expenses are as under:-

S. No.	Particulars	Amount (Rs. in Lakh)	Percentage of Total Estimated Issue Expenditure (%)	Percentage of Issue Size (%)
1	Payment to Merchant Banker including, underwriting and selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Bankers etc and other out of pocket expenses*	[●]	[●]	[●]
2	Printing and Stationery and postage expenses, Advertising and Marketing expenses	[●]	[●]	[●]
3	Advertising and Marketing expenses	[●]	[●]	[●]
4	Regulatory fees and expenses	[●]	[●]	[●]
	Total estimated Issue Expenses	[●]	[●]	[●]

*Included Commission/ processing fees for SCSB, Brokerage and selling commission for Registered Brokers, RTA's and CDPs

Fees, Brokerage and Selling Commission payable to the LM

The total fees payable to the Lead Manager will be as per the (i) Agreement dated [●] with the Selling Shareholder and the Lead Manager Asit C Mehta Investment Intermediates Ltd, (ii) the Underwriting Agreement dated [●] with the Selling Shareholder and Underwriter and (iii) the Market Making Agreement dated [●] with Selling Shareholder and Market Maker, a copy of which is available for inspection at our Corporate Office from 10.00 am to 5.00 pm on Working Days from the date of the Draft Prospectus until the Issue Closing Date.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN and printing of bulk mailing register will be as per the agreement between our Company and the Registrar to the Issue dated [●] a copy of which is available for inspection at our Company's Corporate Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send allotment advice by registered post/speed post.

Particulars regarding Public or Rights Issues during the last five (5) years

Our Company has not made any previous public or rights issue in India or Abroad the five (5) years preceding the date of this Draft Prospectus.

Previous issues of Equity Shares otherwise than for cash

For detailed description please refer to section titled "Capital Structure" beginning on page 76 of this Draft Prospectus.

Underwriting Commission, brokerage and selling commission on Previous Issues

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

Particulars in regard to our Company and other listed group-companies / subsidiaries/ associates under the same management within the meaning of Section 370(1B) of the Companies

Act, 1956 / Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:

Neither our Company nor any other companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 has made/Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

Performance vis-a-vis objects – Public/right issue of our Company and /or listed Group Companies/ subsidiaries and associates of our Company

Our Company has not undertaken any previous public or rights issue. None of the Group Companies or subsidiaries or associates of our Company has made Public Issue or Right Issue of equity Shares immediately preceding the date of filing of this Draft Prospectus are listed on any stock exchange.

Performance vis-a-vis objects - Last Issue of Group/Associate Companies

All of our Group / Associate body corporate are unlisted and have not made a public issue of shares.

Outstanding Debentures or Bond Issues or Redeemable Preference Shares

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft Prospectus.

Outstanding Convertible Instruments

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft Prospectus.

Option to Subscribe

Equity Shares being offered through the Draft Prospectus can be applied for in dematerialized form only.

Stock Market Data of the Equity Shares

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there is no investor complaints received during the three years preceding the filing of Draft Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Draft Prospectus.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, with a copy to the Compliance Officer and with a copy to the relevant Designated Intermediary with whom the Application Form was submitted.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned herein above.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are

involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee in the meeting of our Board of Directors held on [●]For further details on the Stakeholders Relationship Committee, please refer to section titled **“Our Management”** beginning on page 170 of this Draft Prospectus.

Our Company has appointed Sangeeta Dhanuka, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are mentioned in the chapter titled “General Information” on page 68

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

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

Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

Disposal of investor grievances by listed companies under the same management as our Company

We do not have any listed company under the same management.

Change in Auditors during the last three (3) years

M/s R.G. Mehta & Co., tendered their resignation with effect from April 10, 2017. The Casual Vacancy was filled in by M/s Anil Thakrar & Co. on April 17, 2017.

Capitalization of Reserves or Profits

Except as disclosed under section titled **“Capital Structure”** beginning on page 195 of this Draft Prospectus, our Company has not capitalized its reserves or profits at any time during the last five (5) years.

Revaluation of Assets

Our Company has not revalued its assets in five (5) years preceding the date of this Draft Prospectus.

Tax Implications

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled **“Statement of Tax Benefits”** beginning on page 116 of this Draft Prospectus.

Purchase of Property

Other than as disclosed in Section **“Our Business”** on page 131 of this Draft Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of the Draft Prospectus, other than property, in respect of which:-

The contract for the purchase or acquisition was entered into in the ordinary course of business, or the contract was entered into in contemplation of the Issue, or that the Issue was contemplated in consequence of the contract; or the amount of the purchase money is not material.

Except as stated elsewhere in the Draft Prospectus, our Company has not purchased any property in which the Promoter and/or Directors have any direct or indirect interest in any payment made there under.

Servicing Behavior

Except as stated in this Draft Prospectus, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

Payment or benefit to officers of Our Company

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed in chapter titled “*Our Management*” beginning on page 170 and “*Annexure 30 – Statement Related Party Transactions*” beginning on page 195 of the Draft Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

SECTION VII: ISSUE INFORMATION TERMS OF THE ISSUE

The Equity Shares being offered are subject to the provisions of the Companies Act, 2013, SCRR, 1957, SEBI (ICDR) Regulations, 2009, SCRR, the SEBI Listing Regulation our Memorandum and Articles of Association, the terms of this Draft Prospectus, the Prospectus, the Abridged Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, 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, the FIPB, the RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November, 10th 2015, all the investors applying in this Offer shall use only Application Supported by Blocked Amount (ASBA) facility for making payment i.e. just writing their bank account numbers and authorising the banks to make payment in case of allotment by signing the application forms.

Authority for the Issue

The present Public Issue of Equity Shares includes a Fresh Issue of upto 15,55,200 Equity Shares and an Offer for Sale by the Selling Shareholder i.e. Emil Pharmaceutical Industries Private Limited of 7,35,600 Equity Shares. Fresh Issue has been authorized by a resolution of the Board of Directors of our Company at their meeting held on January 16, 2018 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra Ordinary General Meeting held on February 9, 2018 in accordance with the provisions of Section 26 and 62 (1) (c) of the Companies Act, 2013. Offer for Sale of Emil Pharmaceutical Industries Private Limited has been authorized by their Board of Directors vide a resolution dated February 9, 2018

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company 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 **“Main Provisions of Articles of Association of the Company”** on page 281 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, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and 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. For further details, please refer to **“Dividend Policy”** on page 194 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 [●] per equity Share (including premium of [●] per share). The Issue Price is determined by our Company and Selling Shareholder in consultation with the Lead Manager and is justified under the section titled **“Basis for Issue Price”** on page 113 of the 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.

Compliance with SEBI (ICDR) Regulations

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our 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, transfer, transmission and/ or consolidation/ splitting, etc., please refer to Section titled “**Main Provisions of Articles of Association**” beginning on page 281 of this Draft Prospectus.

Minimum Application Value, Market Lot and Trading Lot

As per regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the stock exchange from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer document will be done in multiples of [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lacs per application.

Minimum Number of Allottees

The minimum number of allottees in the Issue shall be 50 shareholders. In case the number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

Joint Holders

Where 2 (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, read with Companies (Share Capital and Debentures) Rules, 2014 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 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue 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.

Issue Programme

Event	Indicative Date
ISSUE OPENS ON	[●]
ISSUE CLOSES ON	[●]

Minimum Subscription

In accordance with Regulation 106P (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 offer through the Draft Prospectus and shall not be restricted to the minimum subscription level. This Issue is 100% underwritten and the details of the same have been disclosed under section titled “**General Information**” on page 68 of this Draft Prospectus.

As per section 39 of the Companies Act 2013, 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 issue of Prospectus, the application money has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within 60 (sixty) days from the date of closure of the issue, the Company shall forthwith unblocked the entire subscription amount received. If there is a delay beyond 8 (eight) days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under Section 73 of the Companies Act, 2013 and other applicable laws, if any.

Further, in accordance with Regulation [106R] of SEBI ICDR Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

Further, in accordance with Regulation [106Q] of the SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be 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.

Arrangements for disposal of odd lots The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Exchange.

Application by Eligible NRIs, FPIs or VCFs registered with SEBI

It is to be understood that there is no reservation for Eligible NRIs, FPIs/FIIS or VCF registered with SEBI. Such Eligible NRIs, FPIs/FIIS or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

As per the extent Guidelines of the Government of India, OCBs cannot participate in this Issue.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public offer without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. 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 ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting

Except for lock-in of the Pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed in the section titled "**Capital Structure**" beginning on page 76 of this Draft Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details please refer sub-heading "**Main Provisions of the Articles of Association**" on page 281 of this Draft Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company, Selling Shareholders and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of 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.

Option to receive Equity Shares in Dematerialized Form

As per section 29(1) of the new Companies Act 2013, and in accordance with SEBI (ICDR) Regulations, every company making public offer shall issue securities only in dematerialized form only. Hence, the Equity Shares being offered can be applied for in the dematerialized form only. The investors have an option either to receive the security certificate or to hold the securities with depository. However, as per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Exchange. Applicants will not have an option of Allotment of the Equity Shares in physical form. Allottees shall have the option to re-

materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013 and the Depositories Act.

Migration to Main Board

In accordance with the NSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the SME Platform of the NSE for a minimum period of 2 (Two) years from the date of listing and only after that it can migrate to the Main Board of the NSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter XB of the SEBI (ICDR) Regulation, 2009, our Company may migrate to the main board of NSE from the SME Exchange on a later date subject to the following:

- If the Paid up Capital of the Company is likely to increase above Rs. 25 Crore 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), we shall have to apply to NSE for listing our 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

- If the Paid-Up Capital of our Company is more than Rs. 10.00 Crore and up to Rs. 25.00 Crore, our company may still apply for migration to the Main Board. If our Company fulfils the eligibility criteria for listing laid down by the Main Board of NSE and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares offered through this Issue are proposed to be listed on the SME platform of NSE, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of NSE. 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 Arrangements for this Issue**" on page 68 of the Draft Prospectus.

In accordance with the SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; it has been decided to make applicable limits on the upper side for the Market Makers 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 ` 20 Crore	25%	24%
Rs. 20 Crore to Rs. 50 Crore	20%	19%
Rs. 50 Crore to Rs. 80 Crore	15%	14%
Above ₹ 80 Crore	12%	11%

Further, the Market Maker shall give (2) Two way quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two (2) 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

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) 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 where the Registered Office of our Company is situated.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra, India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the U.S. Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions 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 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 is not more than Rs. 10 Crore. The Company shall issue specified securities to the Public and propose to list the same on the Small and Medium Enterprise Exchange ("**SME Exchange**", in this case being the SME Platform of NSE). For further details regarding the salient features and terms of such an issue please refer chapter titled "**Terms of the Issue**" and "**Issue Procedure**" on page 230 and 240 of this Draft Prospectus.

The Issue comprise of a Public Issue of upto 22,90,800 Equity Shares of Face Value of Rs. 10/- each fully paid (The "Equity Shares") for cash at a price of Rs. [●]/- per Equity Shares (including a share premium of Rs. [●]/- per equity share) aggregating upto Rs. [●] ("the Issue") by our Company of which 1,15,200 Equity Shares of Rs. 10/- each will be reserved for subscription by Market Maker Reservations Portion and a Net Issue to public of 21,75,600 Equity Shares of Rs. 10/- each is hereinafter referred to as the net issue, comprising the Fresh Issue of 15,55,200 Equity Shares and the Offer for Sale 7,35,600 Equity Shares by Selling Shareholder. The Issue and the Net Issue will constitute 26.45% and 25.12% respectively of the post issue paid up Equity Share Capital of the Company.

The Issue is being made by way of Fixed Price Issue Process

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares available for allocation	21,75,200 Equity Shares	1,15,200 Equity Shares
Percentage of Issue Size available for allocation	94.97% of the Issue	5.03 % of the Issue
Basis of Allotment	Proportionate subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares each.	Firm Allotment
Mode of Application	Through ASBA Process Only	
Mode of Allotment	Compulsorily in dematerialized form.	
Minimum Application Size	<p><u>For Other than Retail Individual Investors:</u> Such number of Equity Shares in multiples of [●] Equity Shares at an Issue price of Rs. [●] each, such that the Application Value exceeds Rs. 2.00 Lakh.</p> <p><u>For Retail Individuals Investors:</u> Such number of Equity Shares in multiples of [●] Equity Shares at an Issue price of Rs. [●] each, such that the Application Value does not exceed Rs. 2.00 Lakh.</p>	[·] Equity Shares at an Issue price of Rs. [●] each
Maximum Application Size	<p><u>For Other than Retail Individual Investors:</u> The maximum application size is the Net Issue to public subject</p>	[·] Equity Shares at an Issue price of Rs. [●] each

	to limits the investor has to adhere under the relevant laws and regulations applicable. <u>For Retail Individuals Investors:</u> Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value does not exceed ` 2,00,000/-.	
Trading Lot	[●] Equity Shares	[●] Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Application lot Size	[●] Equity Shares thereafter Equity Shares and in multiples of [●]	
Terms of Payment	Full Application Amount shall be blocked by the SCSBs in the bank account of the ASBA Applicant that is specified in the Application Form at the time of submission of the Application Form.	

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 refer to ***“Terms of the Issue”*** on page 230 of this Draft Prospectus.

*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 offer to the public category shall be made as follows:

- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to
 - i. Investors 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 percent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

Withdrawal of the Issue

The Company and Selling Shareholder, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof.

In case, the Company and Selling Shareholder wish 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 the Company and the Selling Shareholder withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, the Company will file a fresh Draft Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the final RoC approval to the Prospectus after it is filed with the RoC.

Issue Period

ISSUE OPENING DATE	[•]
ISSUE CLOSING DATE	[•]

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form.

Standardization of cut-off time for uploading of applications on the issue closing date:

- a) A standard cut-off time of 3.00 p.m. for acceptance of applications.
- b) A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants.
- c) A standard cut-off time of 5.00 p.m. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by LM to NSE within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical application form of that Bidder may be taken as the final data for the purpose of allotment.

Applications will be accepted only in Issue Period.

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 (“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 2013 (to the extent notified), the Companies Act, 1956 (to the extent not repealed by the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR 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 Exchanges and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this 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 No. (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.

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. 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.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

Our Company, Selling Shareholder and the LM are not liable for any amendments, modifications or change in applicable laws or regulations, which may occur after the date of this Draft 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 as amended via Fixed Price Process.

Applicants are required to submit their Applications to the Designated Intermediaries. In case of QIB Applicants, our 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 the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form. Further the Equity shares on allotment shall be trade only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.

Application Form

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 can apply through ASBA Mode. The prescribed colour of the Application Form for various categories applying in this issue is as follows:

Category	Colour
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. An Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following Intermediaries (Collectively called "**Designated Intermediaries**")

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or 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, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by Investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application 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 along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA Applicants.

Availability of Prospectus and Application Forms

The Application Forms and copies of the Prospectus may be obtained from the Corporate Office of our Company, Lead Manager to the Issue and Registrar to the Issue as mentioned in the Application

Form. The application forms may also be downloaded from the website of NSE i.e. www.nseindia.com

Who can apply?

In addition to the category of Applicants as set forth under “Part B- General Information Document for Investing in Public Issues-Category of Investors Eligible to participate in an Issue”, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporate or foreign individuals only under the Non Institutional Investors category;
- Scientific and / or industrial research organizations authorized in India to invest in the Equity Shares.
- Any other persons eligible to apply in this Issue under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Overseas Corporate Bodies

The information below is given for the benefit of the applicants. Our Company, Selling Shareholder and the Lead Manager do not accept responsibility for the completeness and accuracy of the information stated. Our Company, Selling Shareholder 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 the 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.

MAXIMUM AND MINIMUM APPLICATION SIZE

1. For Retail Individual Applicants

The Application must be for a minimum of [·] Equity Shares. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs. 2,00,000.

2. For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs. 2,00,000 and in multiples of [·] Equity Shares thereafter. An Application cannot be submitted for more than the Net 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 Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB 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.

The above information is given for the benefit of the Applicants. The Company and the LMs 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.

Participation by Associates /Affiliates of LM and the Syndicate Members

The LM and Syndicate Members, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, LM and Syndicate Members can subscribe to the Issue as Market Maker. Also, associates/affiliates of the LM and Syndicate Members, if any may subscribe for Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Option to Subscribe in the Issue

1. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
2. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
3. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

Information for the Applicants:

1. Our Company, Selling Shareholder and the Lead Managers 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 Abridged Prospectus and copies of the Prospectus will be available with the, the Lead Managers, the Registrar to the Issue, and at the Corporate Office of our Company. Electronic Application Forms will also be available on the websites 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/ Corporate 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 SCSB's 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 Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

Application by Indian Public including eligible NRIs applying on Non-Repatriation Basis

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors, Foreign Nationals, Non Residents Indian (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 Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis should authorize their SCSB to block their NRE/FCNR accounts as well as NRO accounts.

Applications by eligible NRIs/ FPI's on Repatriation Basis

Application Forms have been made available for eligible NRIs at our registered office.

Eligible NRIs applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under reserved category. The Eligible NRIs who intend to get the amount blocked in the Non Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians and shall not use the forms meant for reserved category.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 (thirty) days from the date of issue of shares of allotment to NRIs on repatriation basis.

Allotment of Equity shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity shares will be allowed to be repatriated along with the income thereon subject to the permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

As Per The Current Regulations, The Following Restrictions Are Applicable For Investments By FPIs.

1. A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by a domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of Schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized Stock Exchange; (e) Treasury bills and dated government securities; (f)

Commercial papers issued by an Indian Company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-Convertible debentures or bonds issued by Non – Banking Financial Companies categorized as 'Infrastructure Finance Companies' (IFC) by the Reserve Bank of India; (i) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.

2. Where a foreign institutional investor or a sub account, prior to commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014, hold equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after Initial Public Offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment from the time being in force.
3. In respect of investments in the secondary market, the following additional conditions shall apply:
 - a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
 - b) Nothing contained in clause (a) shall apply to:
 - Any transactions in derivatives on a recognized stock exchange;
 - Short selling transactions in accordance with the framework specified by the Board;
 - Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
 - Any other transaction specified by the Board.
 - c) No transaction on the stock exchange shall be carried forward;
 - d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to;
 - transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
 - Sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - Sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - Sale of securities, in accordance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
 - divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines of Disinvestment of shares of Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;

- Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
 - Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - Any other transaction specified by Board.
- e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form: Provided that any shares held in non-dematerialized form, before the commencement of these regulation, can be held in non-dematerialized form, if such shares cannot be dematerialized.
4. Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.
 5. The purchase of Equity Shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
 6. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
 7. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
 8. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

- a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority
- b) Such offshore derivatives instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal, in offshore derivatives instruments directly or indirectly.

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulation, 2014 shall be deemed to have been issued under the corresponding provision of SEBI (Foreign Portfolio Investors) Regulation, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10 per cent of the total issued capital of the company.

An FII or its subaccount which holds a valid certificate of registration shall, subject to the payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

Qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provision of SEBI (Foreign Portfolio Investors) Regulation, 2014, for a period of one year from the date of commencement of aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

Application by Mutual Funds

As per the current regulations, the following restrictions are applicable for investments by Mutual fund:

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.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate 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 thereof.

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.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

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 LLP Act, 2008 must be attached to the Application Form. Failing this, our Company and Selling Shareholder reserves the right to reject any Application without assigning any reason thereof.

Applications by Insurance Companies

In case of applications made by insurance companies registered with IRDA, certified copy of certificate of registration issued by IRDA must be attached to the Application Form Failing this, our Company, Selling Shareholder in consultation with the LM, 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, 2010, as amended (the "IRDA Investment Regulations"), are broadly set forth below:

- a. Equity shares of a company: The lesser 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: at least 10% of the respective fund in case of a life insurer or 10% of investment assets in case of general insurer or reinsurer (25% in case of Unit Linked Insurance Plans); and

- c. The industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of Unit Linked Insurance Plans).

Applications under Power of Attorney

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged 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.

With respect to the applications by VCFs, FVCIs and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with 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 reason therefore.

In the case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by to the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by provident funds, subject to applicable law, with minimum corpus of Rs. 2500 Lacs and pension funds with minimum corpus of Rs. 2500 Lacs, 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, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

Application by Provident Funds/Pension Funds

In case of Applications made by provident funds with minimum corpus of Rs. 2,500 lakhs (subject to applicable law) and pension funds with minimum corpus of Rs. 2,500 lakhs, a certified copy of 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 any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our 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 filing of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the maximum number of Equity Shares applied for or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in this Draft Prospectus.

Applications by banking companies

In case of Application 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 and Selling Shareholder, severally and not jointly, reserve the right to reject any application without assigning any reason therefore.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the "Banking Regulation Act"), and Master Circular – Para-banking Activities dated July 1, 2015 is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the investment in a non-financial services company by a banking company together with its subsidiaries, associates, joint ventures, entities directly or indirectly controlled by the bank and mutual funds managed by asset management companies controlled by the banking company cannot exceed 20% of the investee company's paid-up share capital. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

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 three 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

The entire Issue price of Rs. [·] per share is payable on application. In case of allotment of lesser number of 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 Bankers 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 investors in the public issue can only invest through ASBA Mode.

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 Bankers, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

Sr. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

**Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

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 the Draft Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
 12. The permission given by the Stock Exchanges 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

- 1) The Issue is being made through the Fixed Price Process wherein [·] Equity Shares shall be reserved for Market Maker and [·] Equity shares will reserved for Retail Individual Investor and Non Institutional Investor and be allocated on a 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.

- 2) 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.
- 3) 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.
- 4) 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.
- 5) Allotment status details shall be available on the website of the Registrar to the Issue.

Signing of Underwriting Agreement and filing of Prospectus with ROC

- 1) Our company, Selling Shareholder, LM has entered into an Underwriting Agreement dated [●] with underwriter.
- 2) A copy of Prospectus will be filed with the RoC in terms of Section 26 of Companies Act, 2013.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation. In the pre- Offer advertisement, we stated the Offer Opening Date and the Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, was in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

Issuance of Allotment Advice

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) The Lead Managers or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue.
The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

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 the Depository Participant and the 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 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 the SCSB before submitting the Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations); Instruct your respective Banks to not 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 and 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 Bid cum 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 for a price different from the price mentioned herein or in the Application Form;
- Do not apply on another Application Form after you have submitted an application to the SCSBs, Registered Brokers of Stock Exchange, RTA and DPs registered with SEBI;
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs. 2,00,000 (for applications by Retail Individual Applicants);
- 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 Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number 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 incomplete or illegible Application Forms in a color prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
- Do not make more than five applications from one bank account.

Instructions for Completing the Application Form

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No.CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com

Applicant's Depository Account and Bank Details

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain front the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

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 counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Communications

All future communications in connection with 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 thereof 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.

Disposal of Application 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 2 (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 NSE where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. The Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar to the Issue.

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.

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 Companies Act, 2013"

Undertakings by Our Company

We undertake as follows:

- 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) 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;
- 4) That the our Promoters' contribution in full has already been brought in;
- 5) 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
- 6) 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 Company;

Undertakings by the Selling Shareholder

- 1) The Equity Shares offered pursuant to the Offer for Sale have been held by the Selling Shareholder for a period of at least one year prior to the date of this Draft Prospectus, are free and clear of any liens or encumbrances and, to the extent that the Equity Shares being offered have resulted from a bonus issue, the bonus issue has been on equity shares held for a period of at least one year prior to the filing of this Prospectus and has been

- issued out of free reserves and share premium existing in the Financial Statement of the company;
- 2) The Selling Shareholder is the legal and beneficial owner of and has full title to the Investor Offered Shares;
 - 3) The Selling Shareholder will not have recourse to the proceeds of the Offer for Sale, until approval for trading of the Equity Shares from all Stock Exchanges where listing is sought has been received;
 - 4) The Selling Shareholder will not sell, transfer, dispose of in any manner or create any lien, charge or encumbrance on the Equity Shares offered in the Offer for Sale; and
 - 5) The Selling Shareholder will take all such steps as may be required to ensure that the Equity Shares being sold by them in the Offer for Sale are available for transfer in the Offer for Sale.
 - 6) They shall take all such steps as may be required to ensure that the Equity Shares being sold by them pursuant to the Offer are available for transfer in the Offer within the time specified under applicable law; and
 - 7) They shall comply with all applicable laws, in India, including the Companies Act, the SEBI Regulations, the FEMA and the applicable circulars, guidelines and regulations issued by SEBI and RBI, each in relation to the Equity Shares offered by them in the Offer.

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 and
- 4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 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.
- 6) The Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

Equity Shares in Dematerialized Form with NSDL or CDSL

To enable all shareholders of our Company to have their shareholding in electronic form, the Company will sign 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 [●] between CDSL, the Company and the Registrar to the Company;

The Company's equity shares bear an ISIN No. [●]

PART B

GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. 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 Draft Prospectus/Prospectus before investing in the Issue

Section 1: Purpose of the General Information Document (GID)

This document is applicable to the public issues undertaken inter-alia through the 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**”) as amended.

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(s)** to the Issue and on the website of Securities and Exchange Board of India (“**SEBI**”) at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section “Glossary and Abbreviations”.

Section 2: Brief Introduction to IPOs on SME Exchange

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is inter-alia required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009 if applicable. For details of compliance with the eligibility requirements by the Issuer Applicants may refer to the Prospectus.

The Issuer may also undertake IPO under Chapter XB of SEBI (ICDR) regulations, wherein as per,

- Regulation 106M (1): An issuer whose post-issue face value capital does not exceed ten crore 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 crore rupees and upto twenty five crore rupees, may also issue its specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation.

2.2 Other Eligibility Requirements

In addition to the eligibility requirements specified in paragraphs 2.1 an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 and the Companies Act, 2013 as may be 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 (2) of Chapter XB of SEBI (ICDR) Regulation:

- a) In accordance with Regulation 106(P) of SEBI (ICDR) Regulation, 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 SEBI (ICDR) Regulation, total number of proposed allottees in the Issue shall be greater than or equal to fifty, otherwise the entire application money will be blocked forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, then 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) Regulation, 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) Regulation, 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 atleast Rs. 1 crore as per the latest audited financial result.
- f) The Net worth (excluding revaluation reserves) of the Issuer shall be at least Rs. 1 crore as per the latest audited financial result.
- g) The Company 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.
- h) The post issue paid up capital of the Company shall be at least Rs. 1 crore.
- i) The Company shall mandatorily facilitate trading in demat securities
- j) The Company should not been referred to Board for Industrial and Financial Reconstruction.
- k) No petition for winding up is admitted by a court 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 Company.
- m) The company should have a website
- n) There has been no change in the promoter(s) of the company in the 1 year preceding the date of filing application to stock exchange for listing.

Company 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) Regulation, 2009 the provisions of regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this Issue.

Thus the Company is eligible for the Issue in accordance with Regulation 106M(2) and other provision of Chapter XB of SEBI (ICDR) Regulations as the post –issue face value capital is more than ten crore rupees and upto twenty five crore rupees. Company also complies with the eligibility conditions laid by the SME Platform of NSE 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 Bid/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.

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 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), The Company shall apply to SE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

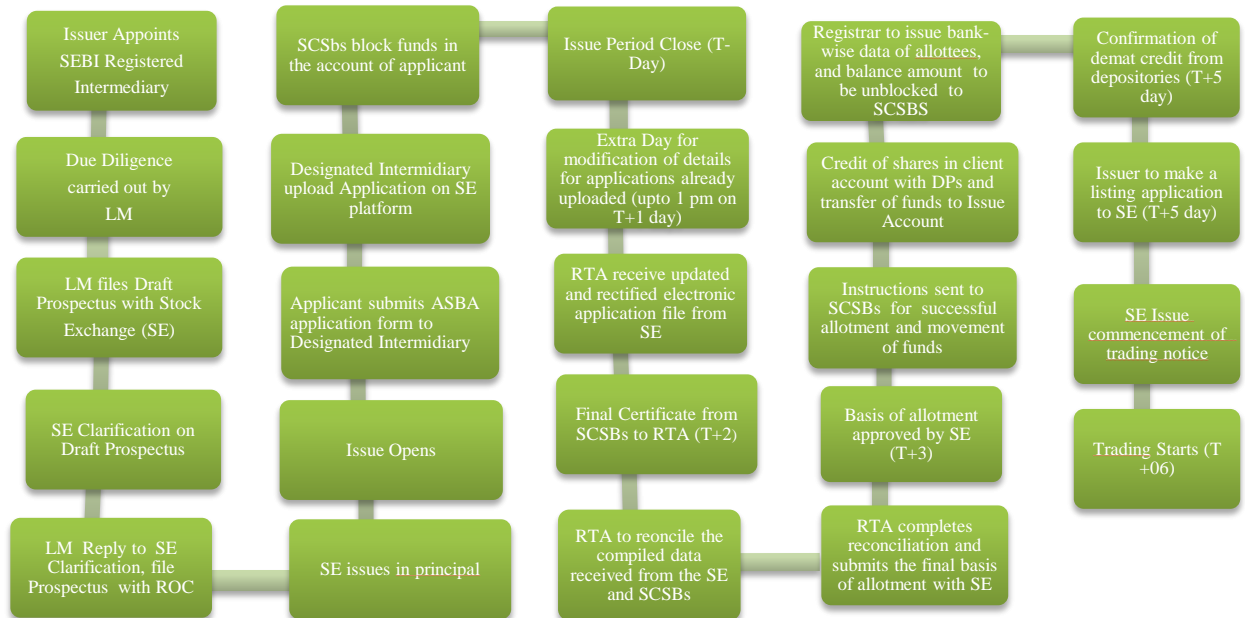
OR

- b) If the Paid up Capital of the company is more than 10 crores but below Rs. 25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the 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.

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 Bidders/Applicants, such as NRIs, FII's, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. 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) or in the names of minors as natural / legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder/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 may be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorized to invest in equity shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law; NRIs other than Eligible NRIs are not eligible to participate in this Issue.
- Indian Financial Institutions, scheduled commercial banks regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);

- FPIs other than Category III foreign portfolio investors, VCFs and FVCIs registered with SEBI.
- Limited liability partnerships registered in India and authorized to invest in equity shares.
- State Industrial Development Corporations.
- Trusts/societies registered under the Societies Registration Act, 1860, as amended or under any other law relating to trusts/societies and who are authorized under their respective constitutions to hold and invest in equity shares;
- Scientific and/ or Industrial Research Organizations authorized to invest in equity shares.
- Insurance Companies registered with IRDA;
- Provident Funds and Pension Funds with minimum corpus of Rs. 2500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- 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;
- Insurance funds set up and managed by army, navy, air force of the Union of India or by Department of Posts, India;
- Any other person eligible to apply to this Issue, under the laws, rules, regulations, guidelines, and policies applicable to them and under Indian Laws.

Applications not to be made by:

- Minors (except under guardianship)
- Partnership firms or their nominees
- Overseas Corporate Bodies

Section 4: Applying in the Issue

Fixed Price Issue: Applicants should only use the specified cum Application Form either bearing the stamp of Designated Intermediaries as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the registered office of the Issuer, and office of the RTA and at the office of the LM. 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 color of the Application Form for various categories of Applicants is as follows:

Category	Color of the Application
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 bidding under the QIB), FPIs on a repatriation basis	Blue

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 rematerialized subsequent to allotment.

4.1 Instructions For Filing Application Form/ 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 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:

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST APPLICANT

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- a) **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 \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,
- b) The Designated Intermediaries 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 Bid cum Application Form/Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. 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:
 - makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
 - makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
 - otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”
- 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 DP.

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 may mention Price as per Draft Prospectus. However a Prospectus registered with RoC contains one price.
- b) Minimum and Maximum Application Size
 - i. For Retails Individual Applicants

The Application must be for a minimum of [·] 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 [·] 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. 2,00,000 and in multiples of [·] 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 Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision of 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 prescribed 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 the Designated Intermediaries 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 PFI 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. Application 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 Application clearly indicates the scheme for which the application has been made.
 - iii. Application by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) 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

- a) The categories of Applicants identified as per the SEBI ICDR Regulations, 2009 as amended for the purpose of Application, allocation and allotment in the Issue are RIIs, Individual applicants other than RIIs, and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- b) An Issuer can make reservation for certain categories of Applicants as permitted under the SEBI ICDR Regulations, 2009 as amended. For details of any reservations made in the Issue, Applicants may refer to the Prospectus.
- c) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Applicants in an Issue depending upon compliance with the eligibility conditions. 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 use ASBA facility to block 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 funds shall be blocked 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) All categories of investors can participate in the Issue only through ASBA mechanism.
- c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

4.1.7.1 Payment instructions for Applicants

- (a) Applicants may submit the Application Form either in physical mode or online mode to any Designated Intermediaries.
- (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) Applicant 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) Applicant shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one ASBA Account, a maximum of five Application Forms can be submitted.
- (f) Applicants applying through a member of the Syndicate should ensure that the Application Form is submitted to a member of the Syndicate only at the Specified Locations. Applicants should also note that Application Forms submitted to the Syndicate at the Specified Locations may not be accepted by the member of the Syndicate if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).
- (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 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.
- (h) ASBA Applicant 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.
- (i) Upon receipt of 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.

- (j) 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 may upload the details on the Stock Exchange Platform.
- (k) 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.
- (l) 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.
- (m) 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.
- (n) SCSBs applying in the Issue must apply through an Account maintained with any other SCSB; else their Application is liable to be rejected.

4.1.8 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, if any, 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/ non allotment / partial allotment ASBA Application, if any, along with reasons for rejection and details of withdrawn or unsuccessful Application, 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 Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
In the event of withdrawal or rejection of the Application Form and for unsuccessful Application, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 6 Working Days of the Issue Closing Date.

4.1.8.1.1 Discount (if applicable)

- a) The Discount is stated in absolute rupee terms.
- b) RII, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, Applicants may refer to the Prospectus.
- c) For the Applicants entitled to the applicable Discount in the Issue the Application Amount less Discount (if applicable) shall be blocked.

4.1.8.2 Additional Instructions for NRIs

The Non-Resident Indians who intend to block funds in their Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Application by NRIs applying on a repatriation basis, blocking of funds in their NRO account shall not be accepted.

4.1.9 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 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 authorization has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application 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.

4.1.10 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should ensure that they receive the acknowledgment duly signed and stamped by the Designated Intermediary, as applicable, for submission of the Application Form.

- a) 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, the Applicants should contact the Registrar to the Issue.
 - ii. In case of Applications submitted to the Designated Branches of the SCSBs or Registered Brokers or Registered RTA/DP, the Applicants should contact the relevant Designated Branch of the SCSBs or Registered Brokers or Registered RTA/DP, as the case maybe.
 - iii. Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.
- b) The following details (as applicable) should be quoted while making any queries –
 - i. Full name of the sole or 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 Intermediary, where the Application was submitted; or
 - iii. In case of ASBA Applications, ASBA Account number in which the amount equivalent to the Application 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 upwards) who has registered his or her interest in the Equity Shares at 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 in both the desired number of Equity Shares and the Bid Amount 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 same Designated Intermediary through which such Applicant had placed the original Application.

A sample Revision form is reproduced 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: BID OPTIONS REVISION ‘FROM’ AND ‘TO’

- a) Apart from mentioning the revised options in the Revision Form, the Applicant must also mention the details of the share 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 not exceed Rs. 2,00,000/- due to revision and the application may be considered, subject to the eligibility, for allocation under the Non-Institutional Category.

4.2.3 FIELD 6: PAYMENT DETAILS

- a. Apart from mentioning the revised options in the Revision Form, the Applicant must also mention the details of the share applied for given in his or her Application Form or earlier Revision Form.
- b. Applicant may Issue instructions to block the revised amount in the ASBA Account, to the 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 FIELDS 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 REVISION FORM/APPLICATION FORM

Applicants may submit completed application form / Revision Form in the following manner:-

Mode of Application	Submission of Application Form
All Investor Applications	To the Designated Intermediaries

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to 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 or electronic mode, respectively

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 Intermediary.

Applicants may submit an Application Form either in physical/ electronic form to Designated Intermediaries or the Designated Branches of the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form only (“ASBA Account”). The Application Form is also made available on the websites of the Stock Exchanges at least 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 FOR TECHNICAL REJECTIONS

Applicants are advised to note that the 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, Application for Equity Shares made in the name 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 person.
- PAN not mentioned in the Application Form.
- GIR number furnished instead of PAN.
- Applications for lower number of Equity Shares than the minimum 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 [·];
- Category not ticked;
- Multiple Applications as defined in this Draft Prospectus as such, based on common PAN;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicants within the time prescribed as per the Application Form, Issue Opening Date advertisement and Prospectus as per the instructions in the Prospectus and Application Forms;
- In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US person other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Application not duly signed by the sole applicant;
- Application by any person outside India if not in compliance with applicable foreign and Indian Laws;
- Application 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;
- Application by person not eligible to acquire equity shares of the company in terms of all applicable laws, rules, regulations, guidelines, and approvals.
- Application or revision 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 NSE.
- 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; and
- 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.

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section of GID.

APPLICANT 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 EXCHANGE BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

SECTION 6: ISSUE PROCEDURE IN BOOK BUILT ISSUE

This being the 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 SME Platform of NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

- 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 [·] Equity Shares the allotment will be made as follows:
 - i. Each successful applicant shall be allotted 1,200 Equity Shares;
 - ii. The successful applicants out of the total applicants for that category shall be determined by the drawal 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 [·] Equity Shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [·] Equity Shares subject to a minimum allotment of [·] Equity Shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for 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 of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of [·] 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, upto 110% of the size of the offer specified under the Capital Structure mentioned in the 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 the SEBI (ICDR) Regulations, as the Retail Individual Investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
- ii. Remaining to Individual applicants other than retail individual investors and Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- iii. The unsubscribed portion in either of the categories specified in (a) or (b) above may be available for allocation to the 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 SME Platform of NSE.

The Executive Director/ Managing Director of the SME Platform of NSE (NSE EMERGE), Designated Stock Exchange in addition to Lead Merchant Banker and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2009.

As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

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) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 5 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 5 Working Days of the Issue Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 6 Working Days of the Issue Closing Date.

8.2 GROUNDS FOR UNBLOCKING OF FUNDS

8.2.1 Non-Receipt of Listing Permission

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalized.

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 initiate action to unblock the application amount from the Investors accounts. If such money is not repaid within the 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 Companies Act, and disclosed in the Prospectus.

8.2.2 Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

As per Section 39 of Companies Act, 2013 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 our company does not receive the 100% subscription of the offer through the Offer Document including devolvement of underwriters, if any, within sixty (60) days from the date of closure of the issue, our company shall forthwith unblock the entire application amount received. If there is a delay beyond eighty days after our company becomes liable to pay the amount, our company and every officer in default will, on and from the expiry of this period be jointly and severally liable to repay the money, with interest or other penalty as prescribed under SEBI Regulations and the Companies Act, 2013.

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 amounts in the ASBA Account shall be unblocked within 6 working days of closure of the issue.

Further in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.1,00,000/- (Rupees One Lakh) per application.

The equity shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance without the applicable laws of such jurisdiction.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be unblocked forthwith.

8.3 Mode of Unblocking of Funds

Within 5 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.

8.3.1 Mode of making refunds for Applicants

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

8.4 Interest in case of delay in Allotment

The Issuer may pay interest at the rate of 15% per annum if 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 for any delay beyond 6 working days from the Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
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
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/ (ASBA)/ASBA	An application, whether physical or electronic, used by Applicants to make a Application authorizing an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Application Amount of the ASBA Applicant
ASBA Application	An Application made by an ASBA Applicant
Applicant	Prospective Applicants in the Issue who apply through ASBA
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue
Bid	The date after which the SCSBs may not accept any application 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
Application Amount	The value indicated in the Application Form and payable by the Applicant upon submission of the Application (except for Anchor Investors), less discounts (if applicable).
Application Form	The form in terms of which the Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Draft Prospectus, whether applying through the ASBA or otherwise.
Applicant	Any prospective investor (including an ASBA Applicant) who makes a Application pursuant to the terms of the Prospectus and the Application Form. In case of issues undertaken through the fixed price process, all references to a Applicant should be construed to mean an Applicant

Term	Description
Book Built Process/ Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009,
Broker Centres	Broker Centres notified by the Stock Exchanges, where Applicants can submit the Application Form to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
Lead Manager/ LM	The Lead Manager to the Issue as disclosed in the Prospectus and the Application Form of the Issuer.
Business Day	Monday to Friday (except public holidays)
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
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
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 may collect the Application Forms used by the ASBA Applicants applying through the ASBA and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries .
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com
Designated Date	The date on or after which funds are transferred by the SCSBs to the Public Issue Account of the Issuer.
Designated Stock Exchange	The designated stock exchange as disclosed in the Draft Prospectus of the Issuer

Term	Description
Designated Intermediaries /Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Issue
Discount	Discount to the Issue Price that may be provided to Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	This Draft Prospectus filed with Stock Exchange in case of Fixed Price Issues and which may mention a price
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 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 the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Closing Date	The date on which the SCSBs may start accepting application 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 Opening Date	The date on which the SCSBs may start accepting application 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

Term	Description
Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants (other than Anchor Investors) 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. Applicants may refer to the Prospectus for the Issue Period
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Lead Manager(s)
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Application Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Application Lot.
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 Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non-Institutional Investors or NIIs	All Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Applied for Equity Shares for an amount of more than ` 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the Prospectus and the Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs, FPIs and FVCIs
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the Prospectus through an offer for sale by the Selling Shareholder

Term	Description
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
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalize the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 32 of the Companies Act, 2013 read with section 26 of Companies Act 2013 after the Pricing Date, 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
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
RTA	Registrar to the Issue and Share Transfer Agent
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the Prospectus and Application Form
Reserved Category/ Categories	Categories of persons eligible for making application/bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors / RIIs	Investors who applies or bids for a value of not more than ` 2,00,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ` 2,00,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Applicant 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)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Specified Locations	Refer to definition of Broker Centers

Term	Description
Stock Exchanges/ SE	The stock exchanges as disclosed in the Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of the Bids in this Issue (excluding Application from ASBA Applicants)
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the Prospectus
Underwriters	The Lead Manager(s)
Underwriting Agreement	The agreement dated entered into between the Underwriters and our company.
Working Day	Any day, other than 2nd and 4th Saturday of the month, Sundays or public holidays, on which commercial banks in India are open for business, provided however, with reference to announcement Issue Period, "Working Days" shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India.

RESTRICTIONS ON FOREIGN OWNERSHIP

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 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 FIPB and the RBI.

The Government has from time to time made policy pronouncements on 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, which with effect from May 12, 2015, 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 May 12, 2015. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidated 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 Consolidated FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI.

As per the existing policy of the GoI, OCBs cannot participate in the Issue.

The Equity Shares have not been and will not be registered under the 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 Securities Act and applicable state securities laws.

Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in the Red Herring Prospectus as "U.S. QIBs" pursuant to the private placement exemption set out in Section 4(a)(2) of the Securities Act; for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in the Draft Prospectus as "QIBs"), in transactions exempt from the registration requirements of the Securities Act and (b) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and 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 Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company and the BRLMS are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Main provisions of Articles of Association are as follows:

Sr. No.	Clause
1	<p>The Board may decline to recognize any instrument of transfer unless—</p> <p>(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;</p> <p>(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and</p> <p>(c) the instrument of transfer is in respect of only one class of shares.</p>
2	<p>12. (i) The company shall have a first and paramount lien—</p> <p>(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and</p> <p>(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:</p> <p>Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.</p> <p>(ii) The company’s lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.</p>
3	<p>23. The Board may, subject to the right of appeal conferred by section 58 declines to register—</p> <p>(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or</p> <p>(b) any transfer of shares on which the company has a lien.</p>
4	<p>84. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.</p> <p>85. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.</p> <p>86. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.</p> <p>(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p> <p>87. (i) 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.</p> <p>(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p> <p>88. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.</p> <p>89. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is</p>

	<p>first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.</p> <p>(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p> <p>90. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.</p> <p>91. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.</p> <p>92. No dividend shall bear interest against the company.</p>
5	<p>Calls</p> <p>11. (i) The board may from time to time subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the board (and not by circular resolution) make such calls as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively and each member shall pay the amount of every call so made on him to the person or persons and at the times and place appointed by the board. A call may be made payable by installment.</p> <p>(ii) Thirty days notice in writing of any call shall be given by the company specifying the time and place payment and the person or persons to whom such calls be paid.</p> <p>(iii) A call shall be deemed to have been made at time when the resolution authorizing such call was passed at a meeting of the board.</p> <p>(iv) A call may be revoked or postponed at the discretion of the board.</p> <p>(v) The joint holder of a share shall be jointly and severally liable to pay all calls in respect thereof.</p> <p>(vi) The board may from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who owing to their residence at distance or other cause, the board may be fairly entitled to such extension no member shall be entitled to such extension save as matter of grace and favour.</p> <p>(vii) If any member fails to pay any call due from him on the day appointed for a 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 not exceeding 18% per annum but nothing in these articles shall render it obligatory for the Board to demand or recover any interest from any such member.</p> <p>(viii) Any sum, which by the terms of issue of share becomes payable on an allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium shall for the purposes of these articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable and in case of non payment all the relevant provisions of these articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such had become payable by virtue of call duly made or notified.</p> <p>(ix) On the trial or hearing of any action or suit brought by the company against any member or his representative for the recovery of any 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 on the register of members as the holders, on the date at which the money sought to be recovered is alleged to have become due on the shares in respect of which such money is sought to be recovered, that the resolution making the call is duly recorded in the minutes books; and that notice of such call was duly given to the member or his representative sued in pursuance of these articles; and that it shall not be necessary to prove the appointment of the directors who made such calls, nor that a quorum of directors was present at the Board meeting at which any call was made, nor the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.</p> <p>(x) Neither the receipt by the company of a portion of any money which shall from time to time be due from any member to the company in respect of his shares, either by way of</p>

	principal or interest, nor any indulgence granted by the company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.
6	<p>Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to Time think fit.</p> <p>The Authorised Share Capital of the Company shall be as per Clause V of the memorandum of Association of the Company</p> <p>The company may from time to time by altering the Memorandum of Association increase its authorised capital by sum to be divided into share of such amount as may be specified in the altered Memorandum.</p> <p>Subject to the provisions to the act, the company has the power to issue preference share liable to be reduced at the option of the company and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.</p> <p>On the issue of the redeemable preference shares under the provisions of the Articles hereof, the following provisions shall take effect-</p> <p>(a) No such shares shall be redeemed except out the profits of the company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption.</p> <p>(b) No such shares shall be redeemed unless they are fully paid.</p> <p>(c) The premium, if any, payable on redemption must have been provided for out of the company or the company's share premium account before the shares are redeemed than out of the proceeds of a fresh issue, there shall, out of profit which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "capital redemption reserve account" a sum equal to the nominal amount of the shares redeemed and the provisions of the act relating to the reduction of the share capital of the company shall, except as provided in the act or herein apply as if the capital redemption reserve account were paid share capital of the company.</p> <p>(d) Where any such shares are redeemed otherwise</p>

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of this Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which have been attached to the copy of the Draft Prospectus delivered to the Registrar of Companies Maharashtra at Mumbai for registration, and also the documents for inspection referred to hereunder, may be inspected at our Corporate Office situated at 301, Western Edge-I, above Metro Mall, Off. Western Express Highway, Borivali (East), Mumbai – 400066 from 10.00 am to 5.00 pm on Working Days from the date of filing the Draft Prospectus until the Issue Closing Date.

Material Contracts

1. Issue Agreement dated March 28, 2018 entered into among our Company, Selling Shareholder and the Lead Manager.
2. Agreement dated March 28, 2018, entered into among our Company, Selling Shareholder and the Registrar to the Offer.
3. Tripartite Agreement dated [●] entered into among our Company, NSDL and the Registrar to the Offer.
4. Tripartite Agreement dated [●] entered into among our Company, CDSL and the Registrar to the Offer.
5. Bankers to the Issue Agreement dated [●] between our Company, the Lead Manager, Banker to the Issue, Registrar to the Issue and the Selling Shareholders.
6. Market Making Agreement dated [●] between our Company, the Lead Manager and the Market Maker.
7. Underwriting Agreement dated [●] between our Company, the Lead Manager, Selling Shareholder and the Underwriter.
8. Share Escrow Agreement dated [●] between our Company, the Selling Shareholder, Lead Manager and the Share Escrow Agent.

Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company.
2. Certificate of incorporation dated March 8, 1995 and Fresh Certificate of Incorporation pursuant to conversion dated March 7, 2018
3. Resolution of the Board of Directors of our Company and Equity Shareholders of our Company dated January 16, 2018 and February 9, 2018, respectively, authorizing the Issue and other related matters.
4. Resolution of the Board of Directors of Emil Pharmaceutical Industries Private Limited (Selling Shareholder) dated February 9, 2018, authorizing Offer for Sale of Shares in our Company.
5. Report of the Independent Peer Reviewed Auditor, M/s. KPND & Co., Chartered Accountants dated March 30, 2018, on the Restated Financial Statements for the period ended January 31, 2018 and for the financial year ended March 31, 2017, 2016, 2015, 2014 and 2013 of our Company.
6. Statement of Tax Benefits dated March 30, 2018
7. Consents of Promoters, Directors, Chief Financial Officer, Company Secretary and Compliance Officer, Lead Manager, Underwriter, Market Maker, Legal Advisor to the Company, Legal Advisor to the Issue, Bankers to the Company, Bankers to the Issue, Share Escrow Agent,

Expert to the Issue, Statutory Auditor and Peer Review Auditor as referred to act, in their respective capacities.

8. In-principle listing approval dated [•] from the National Stock Exchange of India Limited for listing the Equity Shares on the SME Platform of NSE and to include their name in the Draft Prospectus.

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 with the provisions contained in the Companies Act and other relevant statutes.

DECLARATION BY DIRECTORS AND KEY MANAGERIAL PERSONNEL

We, the persons mentioned herein below, as Directors or otherwise, as mentioned, certify that all relevant provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable, the guidelines issued by the Government of India and the regulations and guidelines 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 while issuing the Draft Prospectus. No statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. We further certify that all the statements made in the Prospectus are true and correct.

_____	Tushar Korday <i>Chairman & Managing Director</i>
_____	Rajendra Gole <i>Whole Time Director</i>
_____	Yogesh Gole <i>Whole Time Director</i>
_____	Radheshyam Rohra <i>Independent Director</i>
_____	Sharad Sheth <i>Independent Director</i>
_____	Meena Kapadia <i>Independent Director</i>
_____	Sharvari Sawant <i>Chief Financial Officer</i>
_____	Sangeeta Khemka (Sangeeta Dhanuka) <i>Company Secretary and Compliance Officer</i>

Place: Mumbai
Date: March 31, 2018

DECLARATION BY SELLING SHAREHOLDER

I, the person mentioned herein below, as the Selling Shareholder, certify that all the relevant provisions of the Companies Act, 2013, Companies Act, 1956, to the extent applicable, the guidelines issued by the Government of India and the regulations and guidelines issued by the Securities and Exchange Board of India established under section 3 of the 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 while issuing the Draft Prospectus. No statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable and the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. I further certify that all the statements made in the Draft Prospectus are true and correct.

SIGNED BY THE SELLING SHAREHOLDER:

For Emil Pharmaceutical Industries Limited
Tushar Korday
Director

Place: Mumbai
Date: March 31, 2018

ANNEXURE A
DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY LEAD MANAGER

Sr. No.	Issue Name	Issue Size (Rs. in lakhs)	Issue Price	Listing Date	Opening Price on Listing Date	+/- change in closing price, [+/-, % change in closing benchmark] – 30th calendar from listing	+/- change in closing price, [+/-, % change in closing benchmark] – 90th calendar from listing	+/- change in closing price, [+/-, % change in closing benchmark] – 180th calendar from listing
1.	SARVESHWAR FOODS LIMITED	5,497.12	85	March 15, 2018	83.00	NA	NA	NA

Summary statement of Disclosure:

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. in lakhs)	No. of IPOs trading at discount- 30 th calendar days from listing			No. of IPOs trading at Premium- 30 th calendar days from listing			No. of IPOs trading at discount- 180 th calendar days from listing			No. of IPOs trading at Premium- 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-18	1	5,497.12	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Note:

- a) Based on date of listing.
- b) BSE SENSEX and CNX NIFTY has been considered as the benchmark index.
- c) Prices on BSE/NSE are considered for all of the above calculations.
- d) In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
- e) In case 30th/90th/180th day, scrips are not traded then last trading price has been considered.
- f) N.A. – Period not completed.
- g) As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by lead manager are provided.