



UNIDRUG INNOVATIVE PHARMA TECHNOLOGIES LIMITED

Our Company was originally incorporated as “Uni Drug Private Limited” at Indore, as a Private Limited Company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated March 13, 1987 bearing Registration Number 3875, issued by the Registrar of Companies, Gwalior, Madhya Pradesh. Subsequently, our Company was converted into a Public Limited Company pursuant to a special Resolution passed by the shareholders of the Company at the Extra-ordinary General Meeting held on October 12, 1995 consequent to which the name of our Company was changed to “Uni Drug Limited” vide a fresh Certificate of Incorporation dated December 4, 1995 issued by the Registrar of Companies, Gwalior, Madhya Pradesh bearing Registration Number 10-03875. Further, the name of our Company was changed to “Unidrug Innovative Pharma Technologies Limited” pursuant to a special resolution passed by the shareholders of our Company at the Extra-ordinary General Meeting held on September 14, 1996 vide a fresh Certificate of Incorporation dated September 17, 1996 issued by Registrar of Companies, Gwalior, Madhya Pradesh bearing Registration Number 10-3875. The Corporate Identification Number of our Company is U85120MP1987PLC003875.

Registered Office: Plot. No. 84-A, Sector – E, Sanwer Road, Indore - 452015, Madhya Pradesh, India.

Tel. No.: +91 0731-2720402; **E-mail:** info@unidrugindia.com; **Website:** www.unidrugindia.com;

Contact Person: Anamika Runwal, Company Secretary and Compliance officer

PROMOTERS OF OUR COMPANY: JAINESH JAIN AND KANAKLATA JAIN

THE ISSUE

INITIAL PUBLIC OFFER CONSISTING OF FRESH ISSUE OF UPTO 41,34,000* EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (“EQUITY SHARES”) OF UNIDRUG INNOVATIVE PHARMA TECHNOLOGIES LIMITED (“COMPANY” OR “ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING UPTO ₹ [●] LAKHS (THE “ISSUE”). THE ISSUE INCLUDES A RESERVATION OF UPTO [●] EQUITY SHARES OF FACE VALUE ₹ 10/- EACH AT A PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING ₹ [●] LAKHS FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF UPTO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE, AGGREGATING ₹ [●] 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.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER (“BRLM”) AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER, ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER AND THE REGIONAL NEWSPAPER [●], (HINDI BEING THE LOCAL LANGUAGE OF MADHYA PRADESH, WHERE OUR REGISTERED OFFICE IS SITUATED), EACH WITH WIDE CIRCULATION, AT LEAST 2 (TWO) WORKING DAYS PRIOR TO THE BID / ISSUE OPENING DATE WITH THE RELEVANT FINANCIAL RATIOS CALCULATED AT THE FLOOR PRICE AND THE CAP PRICE AND SHALL BE MADE AVAILABLE TO THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED REFERRED TO AS THE “STOCK EXCHANGE” FOR THE PURPOSE OF UPLOADING ON ITS WEBSITE.

IN CASE OF ANY REVISIONS IN THE PRICE BAND OR FORCE MAJEURE, BANKING STRIKE OR SIMILAR CIRCUMSTANCES, THE ISSUER MAY, FOR REASONS TO BE RECORDED IN WRITING, MAY EXTEND THE BID / ISSUE PERIOD NOT EXCEEDING 10 WORKING DAYS. ANY REVISION IN THE PRICE BAND AND THE REVISED BID / ISSUE PERIOD, WILL BE WIDELY DISSEMINATED BY NOTIFICATION TO THE STOCK EXCHANGE, BY ISSUING A PRESS RELEASE, AND ALSO BY INDICATING THE CHANGE ON THE WEBSITE OF THE BRLM AND THE TERMINALS OF THE SYNDICATE MEMBER(S).

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. The Issue is being made through the Book Building Process, in compliance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “SEBI ICDR Regulations”) and allocation in the net issue to the public will be made in terms of regulation 253 of the SEBI (ICDR) Regulations, as amended. All Bidders, shall only participate in the issue through the Application Supported by Blocked Amount (“ASBA”) process by providing details of their respective bank account (including UPI ID for RIIs using UPI Mechanism) (UPI ID, RIIs and UPI Mechanism are defined hereinafter) wherein the Bid Amounts will be blocked by the SCSBs or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. For details, see “Issue Procedure” on page 244 of this Draft Red Herring Prospectus.

RISK IN RELATION TO FIRST ISSUE

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each. The Issue Price (determined and justified by our Company in consultation with the BRLM as stated in “Basis for Issue Price” on page 95 of this Draft Red Herring Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed on EMERGE Platform of National Stock Exchange of India Limited. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section “Risk Factors” beginning on page 29 of this Draft Red Herring Prospectus.


COMPANY’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue; that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect; that the opinions and intentions expressed herein are honestly held; and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares of our Company offered through this Draft Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (“NSE EMERGE”). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, our Company has received an In-principle approval letter dated [●] from National Stock Exchange of India Limited for using its name in the Offer document for listing of our shares on the EMERGE Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER

 <p>PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED 406-408, Keshava Premises, Behind Family Court, Bandra Kurla Complex, Bandra East, Mumbai – 400 051, Maharashtra, India Tel: +91-22 6194 6700 Fax: +91-22 2659 8690 Website: www.pantomathgroup.com Email: ipo@pantomathgroup.com Investor Grievance Id: ipo@pantomathgroup.com Contact Person: Unmesh Zagade SEBI Registration No: INM000012110</p>	
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REGISTRAR TO THE ISSUE

	<p>BIGSHARE SERVICES PRIVATE LIMITED 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East Mumbai – 400 059, Maharashtra Tel: +91 22 62638200 Fax: +91 22 62638299 Website: www.bigshareonline.com Email: ipo@bigshareonline.com Investor Grievance Id: investor@bigshareonline.com Contact Person: Babu Raphael SEBI Registration Number: INR000001385</p>
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ISSUE PROGRAMME

BID / ISSUE OPENS ON : [●]

BID / ISSUE CLOSES ON: [●]

*Number of shares may need to be adjusted for lot size upon determination of Issue Price.

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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

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

GENERAL TERMS

Term	Description
“Unidrug Innovative Pharma Technologies Limited “ or “Unidrug” or “UIPTL” or “Our Company”, “the Company” or or “we”, “us”, “our”, or “Issuer” or the “Issuer Company”	Unless the context otherwise requires, refers to Unidrug Innovative Pharma Technologies Limited, a Public Limited Company incorporated under the Companies Act, 1956 and having its Registered Office at Plot No. 84 A, Sector – E, Sanwer Road, Indore, Madhya Pradesh- 452015 , India.
“We”, “us” or “our” or “Group”	Unless the context otherwise indicates or implies, refers to our Company

COMPANY RELATED TERMS

Terms	Description
AOA/ Articles/ Articles of Association	Articles of Association of Unidrug Innovative Pharma Technologies Limited, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013 <i>vide</i> Board resolution dated August 01, 2019. For details, please refer to the section titled “Our Management” on page 171 of this Draft Red Herring Prospectus.
Auditor or Statutory Auditor	The statutory auditor of our Company, being S.N. Gadiya & Co. holding a valid peer review certificate dated March 17, 2017.
Bankers to the Company	Such banks which are disclosed as Bankers to the Company in the chapter titled “General Information” on page 55 of this Draft Red Herring Prospectus.
Board of Directors/ the Board / our Board/ Director(s)	The Board of Directors of Unidrug Innovative Pharma Technologies Limited, including all duly constituted Committee(s) thereof.
Chairman/ Chairperson	The Chairman of Board of Directors of Unidrug Innovative Pharma Technologies Limited being Jainesh Jain.
Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being Anamika Runwal.
Chief Financial Officer (CFO)	The Chief Financial Officer of our Company being Mahesh Nabar.
CIN	Corporate Identification Number U85120MP1987PLC003875.
Director(s)	Director(s) of our Company, unless otherwise specified
Executive Director	An executive director of our Company
Equity Shareholders/ shareholders	Persons/ Entities holding Equity Shares of our Company
Equity Shares	Equity Shares of our Company of face value of Rs. 10 each fully paid up unless otherwise specified in the context thereof
Group Companies	Such Companies as are included in the chapter titled ‘Our Group Companies’ beginning on page 190 of this Draft Red Herring Prospectus.

Terms	Description
Independent Director	A non-executive, independent Director as per the Companies Act, 2013 and the Listing Regulations.
IPO Committee	The IPO Committee constituted by our Board, to facilitate the process of the Issue, described in “Our Management” on page 171 of this Draft Red Herring Prospectus <i>vide</i> Board resolution dated August 01, 2019.
ISIN	International Securities Identification Number. In this case being INE01HN01015
Key Managerial Personnel (KMP)	Key managerial personnel of our Company in terms of Regulation 2 (1) (bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013 and as identified in chapter titled “Our Management” beginning on page 171 of this Draft Red Herring Prospectus.
Materiality Policy	The policy adopted by our Board on August 1, 2019 for identification of group companies of our Company, outstanding litigation and outstanding dues to creditors in respect of our Company, pursuant to the disclosure requirements under the SEBI (ICDR) Regulations.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The committee of the Board of Directors constituted as the Company’s Nomination & Remuneration Committee in accordance with Section 178(1) of the Companies Act, 2013 <i>vide</i> Board resolution dated August 01, 2019. For details, please refer to the chapter titled “Our Management” on page 171 of this Draft Red Herring Prospectus.
Non-Executive Director	A Director, not being an Executive Director
Promoter, Promoters or our Promoters	Promoters of our Company being Jainesh Jain and Kanaklata Jain
Promoter Group	Persons and entities constitute our promoter group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations and as enlisted in the chapter titled “Our Promoter and Promoter Group” beginning on page 186 of this Draft Red Herring Prospectus.
Registered Office	The Registered office of our Company situated at Plot. No. 84 A, Sector – E, Sanwer Road, Indore, Madhya Pradesh- 452015 , India
Restated Financial Statements	The Restated Financial Statements of our Company for the Financial Year ended March 31, 2019, 2018 and 2017 which comprises the restated summary statement of assets & liabilities, the restated statement of profit and loss and restated summary statement of cash flows along with all the schedules and notes thereto and included in “Financial Statements” on page 196 of this Draft Red Herring Prospectus.
RoC / Registrar of Companies	The Registrar of Companies, 3rd Floor, 'A' Block, Sanjay Complex Jayendra Ganj, Gwalior Madhya Pradesh, India
Stakeholders Relationship Committee	The committee of the Board of Directors constituted as the Company’s Stakeholders’ Relationship Committee in accordance with Section 178(5) of the Companies Act, 2013 <i>vide</i> Board resolution dated August 01, 2019. For details, please refer to the section titled “Our Management” on page 171 of this Draft Red Herring Prospectus
you, your or yours	Prospective investors in this Issue

ISSUE RELATED TERMS

Term	Description
Acknowledgement Slip	The acknowledgement slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid.
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Issue of Equity Shares to the successful Bidders
Allotment/ Allot/ Allotted	Issue and allotment of Equity Shares of our Company pursuant to the Issue of the Equity Shares to successful Bidders.
Allottee(s)	Successful Bidders(s) to whom Equity Shares have been allotted/transferred.
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
ASBA / Application Supported by Blocked Amount	An application for subscribing to the Issue, along with an authorization to self-certified syndicate bank to block the application money in the specified bank account maintained with such SCSB and will include amounts blocked by RIIs using the UPI mechanism.
ASBA Account	Account maintained with an SCSB and specified in the Application Form which will be blocked by such SCSB or account of the RIIs blocked upon acceptance of UPI Mandate request by RIIs using the UPI mechanism to the extent of the appropriate Bid Amount in relation to a Bid by an ASBA Bidder.
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai and Kolkata.
ASBA Bidders	Any Bidder except Anchor Investor
ASBA form/ Bid Cum Application	An application form, (with or without UPI ID, as applicable) whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus.
Banker(s) to the Issue/Public Issue Bank(s)	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being [●].
Bankers to the Issue Agreement	Banker to the Issue Agreement entered on [●] amongst our Company, Book Running Lead Manager, the Registrar to the Issue and Public Issue Bank/ Banker to the Issue / Sponsor Bank for collection of the Bid Amount on the terms and conditions thereof.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Bidders under the Issue and which is described under chapter titled “Issue Procedure” beginning on page 244 of this Draft Red Herring Prospectus.
Bid	An indication to make an issue during the Bid/Issue Period by a Bidder pursuant to submission of the Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in accordance with the Draft Red Herring Prospectus and Bid cum Application Form.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum

Term	Description
	Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue.
Bid cum Application form	The ASBA Form where the context so requires, in terms of which a Bidder makes a Bid in terms of the Red Herring Prospectus which will be considered as an application for Allotment.
Bid Lot	[●] Equity shares and in multiples of [●] Equity Shares thereafter
Bid/ Issue Closing Date	The date after which the Syndicate, the Designated Branches and the Registered Brokers will not accept any Bids, which shall be notified in all edition of the English national newspaper [●], all edition of the Hindi national newspaper [●], and [●] edition of the Regional newspaper [●], each with wide circulation and in case of any revision, the extended Bid/Issue Closing Date shall also be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Opening Date	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in all edition of the English national newspaper [●], all edition of the Hindi national newspaper [●], and [●] edition of the Regional newspaper [●], each with wide circulation, and in case of any revision, the extended Bid/Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided that the Bidding/ Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an ASBA Bidder.
Bidding/collecting Centre	Centres at which the Designated Intermediaries shall accept the Bid Cum Application Forms, i.e., Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, 2018, in terms of which the Issue is being made.
Book Running Lead Manager or BRLM	The Book Running Lead Manager to the Issue namely Pantomath Capital Advisors Private Limited, SEBI registered Category – I Merchant Banker.
Broker Centres	Broker centres notified by the Stock Exchanges, where the Bidders can submit the Bid cum application forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the website of National Stock Exchange of India Limited.
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Bidder indicating the Equity Shares which will be Allotted/ transferred, after approval of Basis of Allotment by the Designated Stock Exchange.

Term	Description
Cap Price	The higher end of the Price Band, above which the Issue Price will not be finalised and above which no Bids (or a revision thereof) will be accepted.
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.
Controlling Branch/Designated Branch of SCSBs	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Bidders with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Cut-off Price	Issue Price, which shall be any price within the Price Band finalised by our Company in consultation with the BRLM. only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/ husband, investor status, occupation, PAN, MICR code and bank account details and UPI ID wherever applicable.
Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
Designated Date	The date on which the Collection Banks transfer funds from the public offer accounts, and the SCSBs issue instructions for transfer of funds from the ASBA Accounts including the accounts linked with UPI, to the Public Offer Account or the Refund Account, as appropriate, in terms of the Red Herring Prospectus following which the Board of Directors may Allot Equity Shares to successful Bidders in the issue.
Designated Intermediary(ies)	Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect Bid Cum Application Forms from the Bidders, in relation to the Issue.
Designated RTA Locations	Such centres of the RTAs where Bidder can submit the Bid cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchange (www.nseindia.com) and updated from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited.
Designated CDP Locations	Such centres of the CDPs where Bidders can submit the Bid Cum Application Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange (www.nseindia.com) and updated from time to time.
Draft Red Herring Prospectus or DRHP	This Draft Red Herring Prospectus dated September 11, 2019 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be

Term	Description
	Allotted and the size of the Issue
Eligible NRI	NRIs from such jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Draft Red Herring Prospectus constitutes an invitation to subscribe for the Equity Shares offered herein on the basis of the terms thereof.
EMERGE Platform of NSE/ SME Exchange	The EMERGE Platform of National Stock Exchange of India Limited, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter IX of the SEBI (ICDR) Regulations
First/sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalised and below which no Bids will be accepted.
FII/ Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
General Information Document	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, (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI notified by the SEBI and included in “Issue Procedure” on page 244 of this Draft Red Herring Prospectus.
Issue Agreement	The agreement dated September 10, 2019 between our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price	The final price at which Equity Shares will be Allotted in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date in accordance with the Book-Building Process and the Red Herring Prospectus.
Issue Proceeds	Proceeds to be raised by our Company through this Issue being Rs. [●] lakhs, for further details please refer chapter title “ <i>Objects of the Issue</i> ” beginning on page 83 of this Draft Red Herring Prospectus.
Issue/ Issue Size/ Initial Public Issue/ Initial Public Offer/ Initial Public Offering/ IPO	Initial Public Issue of Upto 41,34,000 Equity Shares of face value Rs. 10 each fully paid of our Company for cash at a price of Rs. [●] per Equity Share (the “ <i>Issue Price</i> ”) (including a premium of Rs. [●] per Equity Share) aggregating up to Rs. [●] Lakhs.
Listing Agreement	The Listing Agreement to be signed between our Company and National Stock Exchange of India Limited.
Market Maker	Market Maker appointed by our Company from time to time, in this case being Pantomath Stock Brokers Private Limited who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares

Term	Description
	or for any other period as may be notified by SEBI from time to time.
Market Maker Reservation Portion	The Reserved Portion of [●] Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs [●] per Equity Share aggregating Rs. [●] for the Market Maker in this Issue.
Market Making Agreement	Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
National Payments Corporation of India (NPCI)	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs [●] per Equity Share aggregating Rs. [●] by our Company.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For further information about use of the Issue Proceeds and the Issue expenses, see “Objects of the Issue” on page 83 of this Draft Red Herring Prospectus
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
NSE	National Stock Exchange of India Limited
Non Institutional Bidders	All Bidders, including Category III FPIs that are not QIBs or Retail Individual Investors, who have apply for Equity Shares for an amount of more than Rs. 2,00,000 but not including NRIs other than Eligible NRIs.
Non-Resident	A person resident outside India, as defined under FEMA and includes FIIs and FPIs.
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
Other Investors	Investors other than Retail Individual Investors. These include individual bidders/ applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price band of a minimum price of Rs. [●] per Equity Share (Floor Price) and the maximum price of Rs. [●] per Equity Share (Cap Price) including revisions thereof. the Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and will be advertised at least two Working Days prior to

Term	Description
	the Bid/ Issue Opening Date, in all edition of the English national newspaper [●], all edition of the Hindi national newspaper [●] and [●] edition of the Regional newspaper [●], each with wide circulation.
Pricing date	The date on which our Company in consultation with the BRLM, will finalise the Issue Price.
Prospectus	The prospectus to be filed with the ROC after the Pricing Date in accordance with Section 26 and Section 32 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information.
Public Issue Account	The bank account opened with the Banker to the Issue [●] under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the bidders on the Designated Date.
Qualified Institutional Buyers or QIBs or QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus or RHP	The Red Herring Prospectus dated [●] to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI (ICDR) Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus will be registered with the ROC at least three days before the Bid/ Issue Opening Date and will become the Prospectus upon filing with the ROC on or after the Pricing Date
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to Bidders) shall be made.
Refund Bank(s) / Refund Banker(s)	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being [●].
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Registered Brokers	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/dynaContent/find_a_broker.htm
Registrar /Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited situated at Bharat Tin Works Building, 1st Floor, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai – 400 059, Maharashtra, India
Registrar Agreement	The agreement dated September 10, 2019 entered by our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Reservation Portion	The portion of the Issue reserved for category of eligible Bidders as provided under the SEBI ICDR Regulations, 2018.

Term	Description
Reserved Category / Categories	Categories of persons eligible for making application under reservation portion.
Resident Indian	A person resident in India, as defined under FEMA.
Retail Individual Investors / RIIs	Individual Bidders (including HUFs in the name of Karta and Eligible NRIs) who have applied for an amount less than or equal to Rs. 2,00,000 in this Issue.
Revision Form	The Form used by Bidders to modify the quantity of Equity Shares in any of their Application Forms or any Previous Revision Form(s).
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which Issue the service of making Bids/Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/RecognisedIntermediaries or at such other website as may be prescribed by SEBI from time to time
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes the agreement to be entered into between our Company and the Stock Exchange in relation to listing of Equity Shares on such Stock Exchange.
SME Exchange	EMERGE Platform of National Stock Exchange of India Limited, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter IX of the SEBI (ICDR) Regulations.
Specified Locations	Collection centres where the SCSBs shall accept application forms, a list of which is available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.
Sponsor Bank	Sponsor Bank means a Banker to the issue registered with SEBI which is appointed by issuer to act as conduit between the Stock Exchanges and NPCI (National in order to push the mandate collect request and /or payment instructions of the retail investors into the UPI, the sponsor bank in this case being [●]).
Syndicate or Members of the Syndicate	The BRLM and the Syndicate Members
Syndicate Agreement	Agreement dated [●] entered into amongst the BRLM, the Syndicate Members, our Company in relation to the procurement of Bid cum Application Forms by Syndicate
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, Pantomath Stock Brokers Pvt Ltd.
TRS or Transaction Registration Slip	The slip or document issued by the Syndicate, or the SCSB (only on demand), as the case may be, to the Bidder as proof of registration of the Bid
Underwriter	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The Agreement dated [●] entered into between the Underwriter and our Company.
Unified Payments Interface (UPI)	UPI is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant

Term	Description
	payments into one hood. UPI allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's bank a/c.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI ID Linked bank account	Account of the RIIs, bidding in the Issue using the UPI mechanism, which will be blocked upon acceptance of UPI Mandate request by RIIs to the extent of the appropriate Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The bidding mechanism using UPI that may be used by an RII to make a Bid in the Issue in accordance with SEBI Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018
UPI Mandate Request	Mandate request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment.
UPI PIN	Password to authenticate UPI transaction
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in the city as specified in the Draft Red Herring Prospectus are open for business <ol style="list-style-type: none"> 1. However, in respect of announcement of price band and bid/ Issue period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Draft Red Herring Prospectus are open for business 2. In respect to the time period between the bid/ Issue closing date and the listing of the specified securities on the stock exchanges, working day shall mean all trading days of the stock exchanges, excluding Sundays and bank holidays in accordance with circular issued by SEBI.

TECHNICAL AND INDUSTRY RELATED TERMS

Term	Description
AIDS	Acquired Immune Deficiency Syndrome
ANDA	Abbreviated New Drug Application
APIs	Active Pharmaceutical Ingredients
BOD	Biological Oxygen Demand Incubator
BP	British Pharmacopoeia
CAD	Current Account Deficit
CP	Continuous Polymerisation
CPI	Consumer Prices Index
CRAMS	Contract Research and Manufacturing Services
DCGI	Drug Controller General of India
DGCI&S	The Directorate General of Commercial Intelligence and Statistics
DIPP	Department of Industrial Policy and Promotion
EMDEs	Emerging Market and Developing Economies
EODC	Export Obligation Discharge Certificate
ETP	Effluent Treatment Plant
FTIR	Fourier Transform Infrared Spectroscopy

Term	Description
GAD	Generalized Anxiety Disorder
GC	Gas Chromatography
GMP	Good Manufacturing Practices
GST	Goods and Service Tax
GVA	Gross Value Added
HDPE	High-density Polyethylene
HPLC	High Performance Liquid Chromatography
IIP	Index of Industrial Production
IP	Indian Pharmacopoeia
JP	Japanese Pharmacopoeia
M&A	Merger & acquisition
MPPKVCL	Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited
MSIPS	Modified Special Incentive Package Scheme
MSME	Micro Small and Medium Enterprises
NBFC	Non-Banking Finance Company
NEER	Nominal Effective Exchange Rate
OTC	Over the Counter
PHARMEXCIL	Pharmaceuticals Export Promotion Council of India
PMP	Phased Manufacturing Programme
SU	Standard Units
TEOF	Triethylorthoformate
UK	United Kingdom
UNIDO	United Nations Industrial Development Organisation
US	United States
USFDA	US Food and Drug Administration
USP	US Pharmacopoeia
UV	Ultra Visible Spectroscopy
WEO	World Economic Outlook
WPI	Wholesale Price Index

CONVENTIONAL AND GENERAL TERMS/ ABBREVIATIONS

Term	Description
A.Y./AY	Assessment Year
A/C	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
Air Act	The Air (Prevention and Control of Pollution) Act, 1981
AoA	Articles of Association
AS/Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Application Supported by Blocked Amount
Associate	A person who is an associate of the issuer and as defined under the Companies Act, 2013
Authorized Dealers	Authorized Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000

Term	Description
Bn	Billion
BRLM	Book Running Lead Manager
CAGR	Compounded Annual Growth Rate
Category I Foreign Portfolio Investors	FPIs who are registered as - Category I foreign portfolio investors under the SEBI FPI Regulations
Category II Foreign Portfolio Investors	FPIs who are registered as - Category II foreign portfolio investors under the SEBI FPI Regulations
Category III Foreign Portfolio Investors	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices.
CC	Cash Credit
CCI	The Competition Commission of India
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CGST	Central GST
CIN	Corporate Identification Number
Cm	Centimetre
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013.
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of the notified Sections
Consolidated FDI Policy	The current consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
CS	Company Secretary
CSR	Corporate Social Responsibility
CEO	Chief Executive Officer
CST	Central Sales Tax
Depositories	NSDL (National Securities Depository Limited) and CDSL (Central Depository Services Limited); Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DGFT	Directorate General of Foreign Trade
DIN	Director Identification Number
DIPP	Department of Industrial Policy & Promotion
DP	Depository Participant
DP ID	Depository Participant's Identity Number
DTC	Direct Tax Code, 2013
EBIDTA	Earnings before interest, depreciation, tax, amortization and extraordinary items
EBITDA Margin	EBITDA Divided by Total Revenue
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting

Term	Description
Electricity Act	The Electricity Act, 2003
EPA	The Environment Protection Act, 1986
EPFA	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
ESPS	Employee Stock Purchase Scheme
ER Act	The Equal Remuneration Act, 1976
ESI Act	The Employees' State Insurance Act, 1948
F.Y./FY	Financial Year
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under.
FEMA 2000	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
FII(s)	Foreign Institutional Investor, as defined under the FII Regulations and registered with the SEBI under applicable laws in India
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India
FIs	Financial Institutions
FPI(s)	Foreign Portfolio Investor means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board Of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act,1992
Ft	Foot
FTP	Foreign Trade Policy
Fugitive economic offender	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
FV	Face Value
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GIR Number	General Index Registry number
GOI/ Government	Government of India
Gratuity Act	The Payment of Gratuity Act, 1972
GST Act	The Central Goods and Services Tax Act, 2017
Hazardous Wastes Rules	Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
HNI	High Net worth Individual
HUF	Hindu Undivided Family
I. T. Act	The Income Tax Act, 1961, as amended.

Term	Description
ICAI	Institute of Chartered Accountants of India
ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations/Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
INR	Indian National Rupee
IPO	Initial Public Offering
IRDA	Insurance Regulatory and Development Authority
IT Authorities	Income Tax Authorities
IT Rules	The Income Tax Rules, 1962, as amended from time to time
ID Act	The Industrial Disputes Act, 1947
IE Act	The Indian Easements Act, 1882
IEM	Industrial Entrepreneurs Memorandum
IFSC	Indian Financial System Code
IGST	Integrated GST
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
KMP	Key Managerial Personnel
KVA	Kilovolt-ampere
Listing Regulations / SEBI Listing Regulations/ SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to the SEBI AIF Regulations
Ltd.	Limited
Maternity Benefit Act	Maternity Benefit Act
MCA	The Ministry of Corporate Affairs, GoI
MCI	Ministry of Commerce and Industry, GoI
MSME	Micro, Small and Medium Enterprise
MWA	Minimum Wages Act, 1948
Mn	Million
MoEF	Ministry of Environment and Forests
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
MICR	Magnetic Ink Character Recognition
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
MoA	Memorandum of Association
N/A or N.A.	Not Applicable
NAV	Net Asset Value
NBFC	Non-Banking Finance Company
NI Act	Negotiable Instruments Act, 1881
NOC	No Objection Certificate
NR	Non Resident
NRE Account	Non Resident (External) Account
NRI	Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning

Term	Description
	as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time.
NRO Account	Non Resident (Ordinary) Account
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
p.a.	per annum
P/E Ratio	Price Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
Pvt.	Private
PIL	Public Interest Litigation
POB Act	Payment of Bonus Act, 1965
Public Liability Act/PLI Act	The Public Liability Insurance Act, 1991
QFI(s)	Qualified Foreign Investor(s) as defined under the SEBI FPI Regulations
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
R&D	Research & Development
Registration Act	The Indian Registration Act, 1908
RoC	Registrar of Companies
RoNW	Return on Net Worth
ROE	Return on Equity
Rs. / INR	Indian Rupees
RTGS	Real Time Gross Settlement
SARFAESI	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SCRA	Securities Contracts (Regulation) Act, 1956 as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self-Certified Syndicate Bank
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended from time to time.

Term	Description
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI Takeover Regulations /Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SHWW/SHWW Act	The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
SGST	State GST
Sec	Section
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small Medium Enterprise
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange (s)	Emerge platform of National Stock Exchange of India Limited
STT	Securities Transaction Tax
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
TNW	Total Net Worth
TRS	Transaction Registration Slip
U.S. GAAP	Generally accepted accounting principles in the United States of America
u/s	Under Section
UIN	Unique Identification Number
UOI	Union of India
UPI	Unified payments interface, a payment mechanism that allows instant transfer of money between any two persons bank account using a payment address which uniquely identifies a person's bank account.
US/ U.S. / USA/United States	United States of America
USD / US\$ / \$	United States Dollar, the official currency of the United States of America
VAT	Value Added Tax
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
w.e.f.	With effect from
WDV	Written Down Value
WTD	Whole-time Director
Wages Act	Payment of Wages Act, 1936
Water Act	The Water (Prevention and Control of Pollution) Act, 1974
WCA	The Workmen's Compensation Act, 1923
Wilful defaulter	A wilful defaulter, as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations, means a person who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under

Term	Description
	Companies Act, 2013) or consortium thereof, in accordance with the guideline on wilful defaulter issued by the RBI.
YoY	Year over year

Notwithstanding the following: -

- i. In the section titled “*Main Provisions of the Articles of Association*” beginning on page 263 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- ii. In the section titled “*Financial Statements*” beginning on page 196 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- iii. In the section titled “*Risk Factors*” beginning on page 29 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- iv. In the chapter titled “*Statement of Possible Tax Benefits*” beginning on page 96 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter; and
- v. In the chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 198 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

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

FINANCIAL DATA

Unless stated otherwise, the financial data included in this Draft Red Herring Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled “*Financial Statements as Restated*” beginning on page 196 this Draft Red Herring Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

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

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

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in this Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled “*Financial Statements as Restated*” beginning on page 196 of this Draft Red Herring Prospectus.

CURRENCY OF PRESENTATION

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

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

INDUSTRY AND MARKET DATA

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

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

Although we believe that industry data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by the Book Running Lead Manager or our Company or any of their affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled “*Risk Factors*” beginning on page 29 of this Draft Red Herring Prospectus. Accordingly, investment decisions should not be based solely on such information.

Further, the extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

FORWARD LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward looking statements can generally be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “shall”, “will”, “will continue”, “will pursue” or other words or phrases of similar meaning. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results and property valuations to differ materially from those contemplated by the relevant forward looking statement.

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

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

For a further discussion of factors that could cause our actual results to differ, refer to section titled “*Risk Factors*” and chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 29 and 198 respectively of this Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Future looking statements speak only as of the date of this Draft Red Herring Prospectus. Neither we, our Directors, Book Running Lead Manager, Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, the BRLM and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.

SECTION II – OFFER DOCUMENT SUMMARY

OVERVIEW OF INDUSTRY

India is the largest provider of generic drugs globally. Indian pharmaceutical sector industry supplies over 50 per cent of global demand for various vaccines, 40 per cent of generic demand in the US and 25 per cent of all medicine in UK. “Pharma Vision 2020” aimed at making India a global leader in end-to-end drug manufacturing. Under Budget 2019-20, allocation to the Ministry of Health and Family Welfare increased by 3.1 per cent to Rs 63,298 crore (US\$ 9.06 billion).

Domestic API consumption is expected to reach US\$ 18.8 billion by FY 2021. In April 2018, a high-level task force was constituted to create a roadmap for increasing domestic production of APIs. Currently India imports over 60 per cent of its APIs from other countries.

For further details please see the chapter titled “Our Industry” beginning on page 101 of this Draft Red Herring Prospectus.

OVERVIEW OF BUSINESS

We are presently engaged in the manufacturing of APIs and API intermediates for the domestic market as well as for exports to international markets. Presently our Product portfolio comprises of 11 APIs and API Intermediates such as Allopurinol, Alprazolam, Disulfiram, Etamsylate, Mefenamic Acid, Nitazoxanide, Propranolol HCL, Tinidazole, Baclofen, Guaifenesin and Ornidazole. We develop and manufacture APIs for various therapeutic segments such as Antiprotozoal, Anti-Acute Gout, Anxiolytic, Alcohol Deterrent, Anti-Haemorrhagic, Non-Steroidal, Anti-Inflammatory, Antihypertensive, Anti-Spasmodic, Expectorant; Muscle Relaxant Anti-helminthic and Anti-Infective etc. for the Indian Pharmaceutical Market. Currently, we are one of the leading manufacturers of Tinidazole and Ornidazole which are considered as anti-protozoal molecules, a segment of bulk drug in Indian Pharmaceutical Markets.

For, further details regarding risk involved in Business of the Company and risk in relation to the Issue, refer to chapter titled “Risk Factor” beginning on page 29 of this Draft Red Herring Prospectus.

PROMOTERS OF OUR COMPANY

Jainesh Jain and Kanaklata Jain are the promoters of our Company. For further details please see chapter titled “Our Promoter and Promoter Group” beginning on page 186 of this Draft Red Herring Prospectus.

DETAILS OF THE ISSUE

Initial Public offer of up to 41,34,000 Equity Shares of face value of ₹ 10 each fully paid (“Equity Shares”) of Unidrug Innovative Pharma Technologies Limited (“company” or “Issuer”) for cash at a price of ₹ [●] per equity share (including a share premium of ₹ [●] per equity share) aggregating to ₹ [●] lakhs (the “Issue”). The Issue includes a reservation of up to [●] equity shares of face value ₹ 10/- each at a price of ₹ [●] per equity share aggregating ₹ [●] lakhs for subscription by the market maker to the Issue (the “market maker reservation portion”). The Issue less market maker reservation portion i.e. Net Issue of up to [●] equity shares of face value of ₹ 10/- each for cash at a price of ₹ [●]/- per equity share, aggregating ₹ [●] 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.

OBJECTS OF THE ISSUE

The Net Proceeds are proposed to be used in the manner set out in the following table:

Sr. No.	Particulars	Amount (Rs in lakhs)	Percentage of Gross Proceeds	Percentage of Net Proceeds
1	To finance expansion of our	1100.00	[●]%	[●]%

Sr. No.	Particulars	Amount (Rs in lakhs)	Percentage of Gross Proceeds	Percentage of Net Proceeds
	existing manufacturing unit;			
2	General corporate purposes ⁽¹⁾	[●]	[●]%	[●]%

⁽¹⁾To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

For further details kindly refer to chapter titled “Object of the Issue” beginning on page 83 of this Draft Red Herring Prospectus.

PRE-ISSUE SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP

Our Promoters and Promoter Group members are collectively holding 76,67,400 equity shares of our Company aggregating to 100% of the pre-issue paid-up share capital of our Company. Following are the details of shareholding of Promoters and Promoter group members:

Sr. No.	Name of Shareholder	Pre-issue	
		No of Equity Shares	% of Pre-issue Capital
(I)	(II)	(III)	(IV)
	Promoter		
1	Kanaklata Jain	55,09,296	71.85
2	Jainesh Jain	3,85,398	5.03
	Subtotal (A)	58,94,694	76.88
	Promoter Group		
3	Varsha Jain	10,88,100	14.19
4	Trilok Chand Jain	6,71,580	8.76
5	Abhay Kumar Jain	12,090	0.16
6	Jainesh Kumar Trilokchand Jain HUF	78	0.00
7	Trilokchand Sobhagmal Jain HUF	78	0.00
8	Univive Health Care Private Limited	780	0.01
	Subtotal (B)	17,72,706	23.12
	Total (A+B)	76,67,400	100.00

SUMMARY OF FINANCIAL INFORMATION

Following are details as per the restated financial statements for the financial years ended on March 31, 2019, 2018 and 2017:

(₹ in Lakhs)

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
Share Capital	196.60	196.60	196.60
Net Worth	998.90	676.81	527.57
Revenue*	3085.98	3250.34	2623.49
Profit after tax	322.09	149.23	23.47
Earnings per share (in ₹) as per denomination ₹ 1/- per share			0.03
Earnings per share (in ₹) as per denomination ₹ 10/- per share [#]	4.20	1.95	0.31

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
Net asset value per share (in ₹) as per denomination ₹ 1/- per share			0.69
Net asset value per share (in ₹) as per denomination ₹ 10/- per share [#]	13.03	8.83	6.88
Total borrowings (as per balance sheet)**	449.88	272.20	365.44

*Revenue from operations

**inclusive of current maturities

[#]In the Financial year 2017-18, our company changed its face value from ₹ 1/- per share to ₹ 10/- per share.

Note:- On August 29, 2019, our Company allotted 57,01,400 Equity Shares to the existing shareholders as fully paid bonus shares. For calculating the Weighted Average Number of Equity Shares for EPS above, these bonus shares have been considered in all the periods reported.

AUDITOR QUALIFICATIONS

There are no Auditor qualification which have not been given effect to in the Restated Financial Statements.

SUMMARY OF OUTSTANDING LITIGATIONS

Our Company has received duty demand notices from Assistant Commissioner of Customs, DECC Monitoring Cell, office of Commissioner of Customs (NS-II), Jawaharlal Nehru Custom House, Nhava Sheva for non-fulfilment of Export obligation towards certain Advance licenses. Company has obtained extension of Export Obligation Period through office of Joint Director General of Foreign Trade (DGFT), Indore in relevant cases and the matters for final Export Obligation Discharge Certificate are under consideration by the office of DGFT.

Our Company has filed a criminal complaint against Crescent Therapeutic Limited & Ors. before Judicial Magistrate of First Class (JMFC), Indore under Section 138 of the Negotiable Instruments Act, 1881 for dishonour of cheques issued by the Accused in favour of the Company for an aggregate sum of Rs. 6,41,800/-. Our Company is also involved in the compensation claim filed with Court of XVII Additional Motor Accident Claims Tribunal, Indore by an Injured Person. Both matters are currently pending at respective courts.

Our Group Company i.e. Univive Healthcare Private Limited has received Demand Notice CST under rule 10-C of Central Sales Tax Rules, 1956 along with CST Assessment Order from Commercial Tax Officer, Commercial Tax Department, Indore, Government of Madhya Pradesh, for a total demand of Rs. 1,72,427/- for the period from April 01, 2012 to March 31, 2013. The proceedings are currently pending at Madhya Pradesh Commercial Tax, Appellate Board, (Appeals), Bhopal.

Except as mentioned above, there are no legal proceedings by or against our Company, Directors, Promoters, Group Company. A classification of legal proceedings is mentioned below:

Name of Entity	Criminal Proceedings	Actions by Regulatory Authorities	Tax Proceedings	Other Material Proceedings	Aggregate amount involved (Rs. in lakhs)
By the Company	1	Nil	Nil	Nil	NA*
Against the Company	1	Nil	3	Nil	11.05**
By the Promoter	Nil	Nil	Nil	Nil	Nil
Against the Promoter	Nil	Nil	Nil	Nil	Nil
By the Directors	Nil	Nil	Nil	Nil	Nil

Against the Directors	Nil	Nil	Nil	Nil	Nil
By Group Companies	Nil	Nil	1	Nil	1.24
Against Group Companies	Nil	Nil	Nil	Nil	Nil

As on date of this Draft Red Herring Prospectus, Our Company does not have a subsidiary Company.

* Company has received the full payment of Rs. 6,41,800/- from Crescent Therapeutic Limited against whom a criminal complaint is filed under Section 138 of the Negotiable Instruments Act, 1881.

** This included amount involved in demand notices from Assistant Commissioner of Customs for non-fulfilment of Export obligation towards certain Advance licenses. The amount involved in compensation claim filed with Court of XVII Additional Motor Accident Claims Tribunal, Indore by an Injured Person is not included here.

For further details in relation to legal proceedings involving our Company, Promoters, Directors, Group Company please refer the chapter titled - “Outstanding Litigations and Material Developments” on page 215 of this Draft Red Herring Prospectus.

RISK FACTORS

Please see the chapter “Risk factors” beginning on page 29 of Draft Red Herring Prospectus.

SUMMARY OF CONTINGENT LIABILITIES

Following is the summary of the Contingent Liabilities of the Company for the financial years ended on March 31, 2019, 2018 and 2017:

(₹ in Lakhs)

Particulars	For the Year ended on		
	March 31, 2019	March 31, 2018	March 31, 2017
Open Letter of Credit	50.32	42.67	0.00
Total	50.32	42.67	0.00

For further details regarding the same, refer the Chapter titled “Financial Statement as Restated” beginning on page 196 of this Draft Red Herring Prospectus.

SUMMARY OF RELATED PARTY TRANSACTIONS

Following is the summary of the related party transactions entered by the Company for the financial years ended on March 31, 2019, 2018 and 2017:

a) Disclosure in Respect of Related Party Transactions during the year:

(₹ in lakhs)

Name of Related Party	Relation with Party	FY 18-19	FY 17-18	FY 16-17
Remuneration Paid				
Mr. Jainesh Jain	KMP	36.85	16.20	12.00
Ms. Pooja Ajmera	KMP	0.43	-	-
Mr. Mahesh Nabar	KMP	4.44	-	-
Total		41.72	16.20	12.00
Consultancy Charges Paid				
Mr. Trilok Chand Jain	Relative of KMP	-	2.40	7.20
Trilok Jain & Co.	Significant influence of KMP	10.20	6.80	0.00
Total		10.20	9.20	7.20

Name of Related Party	Relation with Party	FY 18-19	FY 17-18	FY 16-17
Interest Paid				
Univive Healthcare Pvt. Ltd.	Significant influence of KMP	1.61	-	-
Mr. Trilok Chand Jain	Relative of KMP	-	-	5.16
Total		1.61	-	5.16
Purchase				
Herb and Pharma Enterprises (Prop :- Mr. Mahesh nabar)	KMP	372.64	-	-
Univive Healthcare Pvt. Ltd.	Significant influence of KMP	178.02	126.27	66.52
Total		550.66	126.27	66.52
Jobwork				
Univive Healthcare Pvt. Ltd.	Significant influence of KMP	289.21	278.75	228.63
Total		289.21	278.75	228.63
Loan Repaid during the year				
Mr. Kanaklata Jain	Relative of KMP	5.00	-	30.00
Trilokchand Sobhagmal Jain HUF	Relative of KMP	11.00	20.00	18.00
Mr. Jainesh Jain	KMP	3.03	-	0.52
Mr. Trilok Chand Jain	Relative of KMP	24.00	387.00	124.65
Total		43.03	407.00	173.17
Loan Taken during the year				
Trilokchand Sobhagmal Jain HUF	Relative of KMP	-	-	18.00
Mr. Jainesh Jain	KMP	-	2.03	1.00
Mr. Trilok Chand Jain	Relative of KMP	2.50	387.00	124.65
Univive Healthcare Pvt. Ltd.	Significant influence of KMP	50.45	-	-
Total		52.95	389.03	143.65
Deposit Given during the year				
Univive Healthcare Pvt. Ltd.	Significant influence of KMP	-	-	25.00
Total		-	-	25.00
Deposit Received Back during the year				
Univive Healthcare Pvt. Ltd.	Significant influence of KMP	-	25.00	-
Total		-	25.00	-

For further details of the same refer the Annexure Z under Chapter titled “Financial Statement as Restated” beginning on page 196 of this Draft Red Herring Prospectus.

DETAILS OF FINANCING ARRANGEMENTS

There are no financing arrangements whereby the Promoters, member of Promoter Group, the Directors of our company and their relatives have financed the purchase by any other person of securities of our

Company other than in the normal course of the Business of the financing entity during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES ACQUIRED BY EACH OF OUR PROMOTERS

During the preceding one year from the date of filing of this DRHP, our Promoters Jainesh Jain and Kanaklata Jain have not acquired any equity shares except through bonus issue dated August 29, 2019.

Name of Promoter	No. of shares acquired in last one year from the date of this DRHP	Weighted Average Price (In ₹)
Jainesh Jain	2,86,578	Nil
Kanaklata Jain	40,96,656	Nil

For further details please see the chapter titled “Capital Structure” beginning on page 67 of this Draft Red Herring Prospectus.

AVERAGE COST OF ACQUISITION OF SHARES

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

Name of promoter	No. of Shares held	Average Cost of Acquisition (In ₹)
Jainesh Jain	3,85,398	2.13
Kanaklata Jain	55,09,296	0.29

For further details please see the chapter titled “Capital Structure” beginning on page 67 of this Draft Red Herring Prospectus.

DETAILS OF PRE-IPO PLACEMENT

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Red Herring Prospectus till the listing of the Equity Shares.

EQUITY SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH IN LAST ONE YEAR

Following are the details of equity shares issued in the last one year for consideration other than cash:

Date of allotment/ transfer	Number of equity shares	Face Value (₹)	Issue Price (₹)	Reasons for allotment	Name of Allottees
August 29, 2019	57,01,400	10	NA	Bonus Issue	Kanaklata Jain
					Varsha Jain
					Trilok chand Jain
					Jainesh Jain
					Abhay Kumar Jain
					M/s. Univive Healthcare Private Limited
					M/s Trilok Chand Sobhagmal Jain HUF
					M/s Jainesh Kumar Trilok Chand Jain HUF

SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company has not undertaken any split or consolidation of Equity Shares during the last one year from the date of this Draft Red Herring Prospectus.

SECTION III – RISK FACTORS

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

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this Section is derived from our restated financial statements prepared in accordance with Indian GAAP, the Companies Act and which have been restated in accordance with the SEBI ICDR 2018 Regulations. To obtain a better understanding, you should read this Section in conjunction with the chapters titled “Our Business” beginning on page 123, “Our Industry” beginning on page 101 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 198 respectively, of this Draft Red Herring Prospectus as well as other financial information contained herein.

Materiality:

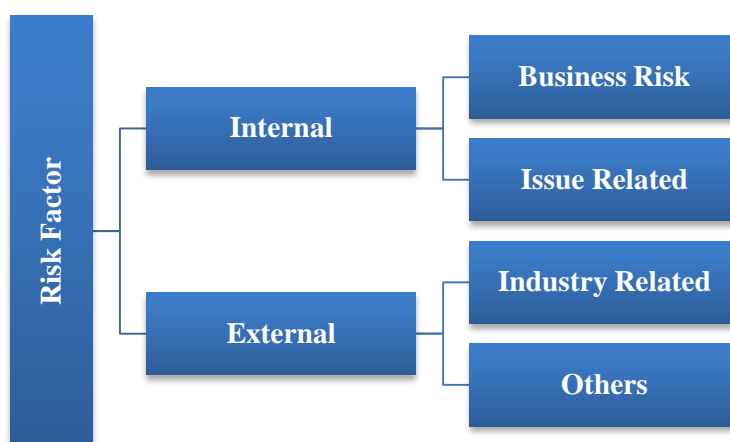
The Risk Factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality.

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

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

In this Draft Red Herring Prospectus, any discrepancies in any between total and the sums of the amount listed are due to rounding off.

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



INTERNAL RISKS FACTORS:

BUSINESS RELATED RISKS

- Our Company and our Group Company are currently involved in certain indirect tax related proceedings which are pending at various stages with relevant tax authorities. Certain criminal proceedings involving our Company are currently pending at court of law. Any adverse decision in these proceedings may render them liable to liabilities and penalties and may adversely affect our business and results of operations.**

Our Company has received duty demand notices from Assistant Commissioner of Customs, DECC Monitoring Cell, office of Commissioner of Customs (NS-II), Jawaharlal Nehru Custom House, Nhava Sheva for non-fulfilment of Export obligation towards certain Advance licenses. Company has obtained extension of Export Obligation Period through office of Joint Director General of Foreign Trade (DGFT), Indore in relevant cases and the matters for final Export Obligation Discharge Certificate are under consideration by the office of DGFT.

Our Company has filed a criminal complaint against Crescent Therapeutic Limited & Ors. before Judicial Magistrate of First Class (JMFC), Indore under Section 138 of the Negotiable Instruments Act, 1881 for dishonour of cheques issued by the Accused in favour of the Company for an aggregate sum of Rs. 6,41,800/-. Our Company is also involved in the compensation claim filed with Court of XVII Additional Motor Accident Claims Tribunal, Indore by an Injured Person. Both matters are currently pending at respective courts.

Our Group Company i.e. Univive Healthcare Private Limited has received Demand Notice CST under rule 10-C of Central Sales Tax Rules, 1956 along with CST Assessment Order from Commercial Tax Officer, Commercial Tax Department, Indore, Government of Madhya Pradesh, for a total demand of Rs. 1,72,427/- for the period from April 01, 2012 to March 31, 2013. The proceedings are currently pending at Madhya Pradesh Commercial Tax, Appellate Board, (Appeals), Bhopal.

Except as mentioned above, there are no legal proceedings by or against our Company, Directors, Promoters, Group Company. A classification of legal proceedings is mentioned below:

Name of Entity	Criminal Proceedings	Actions by Regulatory Authorities	Tax Proceedings	Other Material Proceedings	Aggregate amount involved (Rs. in lakhs)
By the Company	1	Nil	Nil	Nil	NA*
Against the Company	1	Nil	3	Nil	11.05**

Name of Entity	Criminal Proceedings	Actions by Regulatory Authorities	Tax Proceedings	Other Material Proceedings	Aggregate amount involved (Rs. in lakhs)
By the Promoter	Nil	Nil	Nil	Nil	Nil
Against the Promoter	Nil	Nil	Nil	Nil	Nil
By the Directors	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil
By Group Companies	Nil	Nil	1	Nil	1.24
Against Group Companies	Nil	Nil	Nil	Nil	Nil

As on date of this Draft Red Herring Prospectus, Our Company does not have a subsidiary Company.

* Company has received the full payment of Rs. 6,41,800/- from Crescent Therapeutic Limited against whom a criminal complaint is filed under Section 138 of the Negotiable Instruments Act, 1881.

** This includes amount involved in demand notices from Assistant Commissioner of Customs for non-fulfilment of Export obligation towards certain Advance licenses. The amount involved in compensation claim filed with Court of XVII Additional Motor Accident Claims Tribunal, Indore by an Injured Person is not included here.

Also, we cannot assure you that, we, our promoters, our directors, Group Company may not face legal proceedings in future; any adverse decision in such legal proceedings may impact our business and results of operations. For further details in relation to legal proceedings involving our Company, Promoters, Directors, Group Company please refer the chapter titled — “Outstanding Litigations and Material Developments” on page 215 of this Draft Red Herring Prospectus.

2. Our cost of production is exposed to fluctuations in the prices of our raw materials to manufacture API Products.

We are presently engaged in the manufacturing of APIs and API intermediates for the domestic market as well as for exports to international markets. 2,3 Xylidine, 2Methyl 5Nitro Imidazole, Epichlorohydrin, Ethyl Thio Ethanol, Hydrogen Peroxide, Liquor Ammonia, Methanol, Niacin, Ortho Chloro Benzoic Acid, Diethyl Amine, Thionyl Chloride, 2Amino 5Nitro Thiazole, Guaiacol, 2Amino5ChloroBenzophenone are some of the major raw materials required in the manufacturing of APIs. We source required raw materials as mentioned above domestically as well as from international markets. We import raw materials majorly from China and Belgium. We are exposed to fluctuations in the price of the raw material and may be unable to control factors affecting the price directly or indirectly at which we procure such materials, particularly as we do not enter into any supply agreements with our suppliers. We also face the risks associated with compensating for or passing on such increase in our cost of production on account of such fluctuations in price to our customers. Particularly, we face the risk of our products becoming unaffordable for pharmaceutical use, if we pass on the increase in the cost of production to our customers through a corresponding increase in the price of our products in order to maintain our historical margins. Upward fluctuations in the prices of raw material may thereby affect our margins and profitability, resulting in a material adverse effect on our business, financial condition and results of operation.

3. We derive considerable portion of our revenue from our two API products i.e. Ornidazole and Tinidazole.

We are heavily dependent on our two Active Pharmaceutical Ingredients (API) products i.e. Ornidazole and Tinidazole as they generate a significant portion of our revenues. Ornidazole (CAS No.16773-42-5) finds its application in Anti-Infective therapeutic segment whereas Tinidazole (CAS No.19387-91-8) is used in an Anti Protozoal treatments. The revenues from sale of these two API products constitute major

portion of our total revenues. The sale of Ornidazole and Tinidazole contributed Rs.1691.37 Lakhs (54.81%) and Rs. 606.38 Lakhs (19.65%) respectively and collectively Rs. 2,297.75 Lakhs (74.46%) of our Total Revenue for FY 2018-19. The same was Rs. 2101.42 Lakhs (64.68%) and Rs. 1704.08 Lakhs (65.06%) for FY 2017-18 and FY 2016-17 respectively.

Our revenues from these products may decline as a result of increased competition, regulatory actions, pricing pressures or fluctuations in the demand for or supply of our products. Similarly, in the event of any breakthrough in the development of alternative for these products, our products may become obsolete or be substituted by such alternatives. Since our business is concentrated among relatively few significant API Products, we could experience a reduction in our results of operations, cash flows and liquidity if we lose the amount of business we obtain from them is reduced for any reason. Our failure to effectively react to these situations or to successfully introduce new products, could adversely affect our business, prospects, results of operations and financial condition.

However, we continue to add new API Products in normal course of business depending on demand for such products and feasibility to manufacture.

4. Our top 10 customers contribute majority of our revenues from operations for the year ended March 31, 2019. Any loss of business from one or more of them may adversely affect our revenues and profitability.

Our top 10 and top 5 customers contributed 59.63% and 41.90 % of our revenues for the year ended March 31, 2019 based on restated financial statements respectively. However, our top customers may vary from period to period depending on the demand and thus the composition and revenue generated from these clients might change as we continue to add new customers in normal course of business. Since our business is concentrated among relatively few significant customers, we could experience a reduction in our results of operations, cash flows and liquidity if we lose one or more of these customers or the amount of business we obtain from them is reduced for any reason, including but not limited on account of any dispute or disqualification.

We have also experienced a delay in receipt of payment from various parties with whom we have conducted business. Accordingly, we cannot assure you that the customers which contribute to the major part of our revenue stream will pay us the amounts due to us on time, or at all. In the event any of our significant customers fail to fulfil their respective obligations, our business, financial condition and results of operations would be adversely affected. While we believe we have maintained good and long term relationships with our customers. However, there can be no assurance that we will continue to have such long term relationship with them. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability.

5. Our profitability and results of operations may be adversely affected in the event of any disruption in the supply of raw materials or increase in the price of raw materials, labour or other inputs.

The timely and cost effective execution of our orders are dependent on the adequate and timely supply of key raw materials. The raw material consumption contribution is 67.76 %, 66.18%, 57.42% of revenue from manufacturing activities for the fiscals 2017, 2018, 2019 respectively. We do not enter into any long-term contracts for the purchase of raw materials with our suppliers. We are required to procure raw materials as per the specific instruction in terms of quality given under the purchase order. We cannot assure you that we will be able to procure adequate supplies of raw materials in the future, as and when we need them on commercially acceptable terms. If we are unable to procure the requisite quantities of raw materials in time and at commercially acceptable prices, the performance of our business and results of operations may be adversely affected.

The prices and supply of raw materials depend upon factors that are beyond our control, including but not limited to general economic conditions, transportation costs, market prices, competition, and these prices

are cyclical in nature. Our ability to pass on increases in the purchase price of raw materials and other inputs may be limited in the case of contracts with limited price escalation provisions. Depending on the size of a project, these variations from estimated contract performance could have a significant effect on our profitability, financial condition and results of operations.

6. We have experienced a decline in our revenue of operations for the financial year 2018-19.

Our revenue from operations declined from Rs. 3,250.34 lakhs in financial year 2017-18 to Rs. 3,085.98 lakhs in financial year 2018-19. There has been a change in business strategy towards optimization of cost from financial year 2017-18. We have shifted our focus to low volume high margin products resulting in slight fall in revenue from operations. We believe that certain products yield better margins even at low volume and thus we have been concentrating on expanding their manufacturing operations. However, we cannot assure you that we shall be able to successfully execute our business strategy and continue to grow our revenue from operations. Any decline in our revenue from operations could adversely affect our result of operations and financial condition.

7. We generally do business with our customers on purchase order basis and do not enter into long-term contracts with most of them.

Our business is dependent on our continuing relationships with our customers. Our Company neither has any long-term contract with any of customers nor has any marketing tie up for our products. Further, our Company has not appointed any exclusive agents for handling its operations. Any change in the buying pattern of our end users or disassociation of major customers can adversely affect the business of our Company. The loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations.

8. Our inability to maintain an optimal level of inventory for our operations may impact our manufacturing activity adversely.

Our Company procures raw materials from foreign nation, the delivery at our facility from the date of order generally takes around more than a month's time. Our operation is majorly dependent on the supply of raw materials from our foreign suppliers. There may be cases in which supply of these raw materials are delayed for any reason which may hamper our manufacturing activity. To ensure seamless manufacturing, we need to maintain an optimum level of inventory, so that manufacturing activity is not hampered at the time of disruption in supply. Inventory of raw material is maintained as per our experience and demand of the products, our inability to maintain sufficient level of inventory may lead to operational issues.

9. Our Company exports our products to countries including Asian, African and Latin American countries. Any adverse events affecting these countries could have a significant adverse impact on our results from operations.

For the year ended March 31, 2019, our revenue from export operations contributed to Rs. 104.38 Lakhs of the total revenue from operations. Our Company exports its products to many countries namely Asian, African, and Latin American countries etc. Consequently, any adverse changes in these economies such as slowdown in the economy, appreciation of the Indian Rupee vis-à-vis the currencies of these economies or US Dollar, acts of terrorism or hostility targeting these countries, etc. would directly impact our revenues and results from operations. In the event of change in policies or laws in these regions with respect to Environment, Health and Safety (EHS) norms, quality standards, branding or restrictions on usage of certain products/raw materials, our financial condition and business operations may be adversely affected. In case of any contingencies in future due to which we are unable to operate effectively in these markets, our results from operations, revenues and profitability may be adversely affected.

- 10. Being a pharmaceutical company, we operate in a highly regulated and controlled industry environment. Our business is dependent on approvals from relevant regulatory and health authorities. Any delay or failure to obtain or renew such required regulatory approvals, registrations or any change in the regulatory environment in relation to manufacturing our products in regulated markets may significantly impact our business and strategy affecting our overall profitability.**

Being a pharmaceutical company, we operate in an industry which is highly regulated and controlled. There are stringent and restrictive norms in relation to quality standards. Further, entry barriers in regulated markets in which we currently operate and seek to expand are very high and have extensive regulations pertaining to research, testing and manufacturing, selling and marketing of pharmaceutical products. Some of our customers operate in such highly regulated markets and liaise / do business with our Company based on our Company being the approved source of supply. There is no assurance that we will be able to obtain the necessary approvals / renewals for all our products, which could adversely impact our ability to sell some of our products in certain markets. Failure of our Company to adapt itself to such regulatory changes, obtain the necessary approvals / renewals for our products, the business of the Company may be adversely affected.

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

We export our products to different countries and receive sale proceeds in foreign currency. We also import raw materials majorly from China and Belgium. Changes in value of currencies with respect to the Rupee may cause fluctuations in our operating results expressed in Rupees. The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in future. Fluctuations in the exchange rates may affect our Company to the extent of cost of goods and sales in foreign currency terms. Any adverse or unforeseen fluctuations with respect to the unhedged exchange rate of any foreign currency for Indian Rupees may affect our Company's results of operations.

- 12. Over dependence on imported materials may adversely affect our business and result of operations. Further such imports also subject us to exchange rate fluctuations which could have a material and adverse effect on our result of operations and financial condition.**

Over dependence on imports and unavailability of such products from domestic producers may adversely affect our profitability in case the trade relations of India with any of countries from where materials are imported get strained in future or the suppliers face any sort of problems due to internal issues of producing countries. Decrease in the availability of materials which we require, or volatility in the price of these materials may significantly and adversely affect our business, financial condition and results of our operations if we are unable to estimate and accordingly adjust the prices of our product. Further, the exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in future. Significant exchange rate fluctuations may affect our Company's business as it may alter the costs of the imports significantly. Further at present, our Company does not fully hedge its foreign exchange exposure. Any adverse or unforeseen fluctuations with respect to the unhedged exchange rate of any foreign currency for Indian Rupees may affect our Company's results of operations.

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

Our business is significantly dependent on the efficient and uninterrupted operation of our technology infrastructure that ensures smooth operations through various automated machines. Changes in technology may render our current technologies obsolete or require us to make substantial capital investments. Our technology and machineries may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. Although we believe that we have installed latest technology and that the chances of a technological innovation are not very high in our sector we shall continue to strive to keep our technology, plant and machinery in line with the latest

technological standards. In case of a new found technology, we may be required to implement new technology or upgrade the machineries and other equipment's employed by us. Further, the costs in upgrading our technology and modernizing the plant and machineries are significant which could substantially affect our finances and operations.

- 14. There have been some instances of non-filing/ delays /incorrect filings in the past with certain statutory authorities. If the authorities impose monetary penalties on us or take certain punitive actions against our Company in relation to the same, our business, financial condition and results of operations could be adversely affected.**

In the past, there have been some instances of non-filings or incorrect filings or delays in filing statutory forms with the RoC, which have subsequently been filed along with the payment of additional fees, as specified by RoC. Except as mentioned in this Draft Red Herring Prospectus, till date, there has been no penalty levied on the Company for such delays/default. However, it cannot be assured that even in future no such penalty will be levied. Therefore, if the authorities impose monetary penalties on us or take certain punitive actions against our Company or its Directors / Officers in relation to the same, our business, financial condition and results of operations could be adversely affected.

- 15. Some of our corporate records including but not limited to certain secretarial records such as certain Annual Returns of the Company, Challans of certain Forms filed with ROC, Forms filed with ROC for appointment, regularization, reappointment of directors, prior to year 2006 are not traceable by the Company.**

Some of our corporate records including certain secretarial records such as certain Annual Returns of the Company filed with ROC prior to 1996, Challans of certain Forms filed with ROC, Forms filed with ROC for appointment, regularisation and reappointment of directors prior to year 2006 are not traceable by the Company. While information in relation to such transactions have been disclosed in the section titled "Capital Structure", "Our History and Certain Corporate Matters" and "Our Management" in this Draft Red Herring Prospectus, based on information in our statutory registers and search reports obtained, we may not be able to furnish any further documents in this regards.

- 16. Our manufacturing facilities are located at Indore, Madhya Pradesh. Any delay in production at, or shutdown of, or any interruption for a significant period of time, in these facilities may in turn adversely affect our business, financial condition and results of operations.**

Our Company has its manufacturing facilities located at Indore Madhya Pradesh. Though, we are located at the Central part of India, wherein we get uninterrupted power supply, skilled and semi-skilled labour, basic raw materials from the suppliers as specified by our customers, Our success depends on our ability to successfully utilize these manufacturing facilities to its utmost capacities and deliver our products in order to meet our customer demands in a timely manner. Our manufacturing facilities are susceptible to damage or interruption or operating risks, such as human error, power loss, breakdown or failure of equipment, plant and machinery, power supply or processes, performance below expected levels of output or efficiency, obsolescence, terrorist attacks, acts of war, break-ins, natural disasters such as earthquakes and industrial accidents and other similar events beyond our control. Further, our manufacturing facility is also subject to operating risks arising from compliance with the directives of government authorities. Operating risks may result in personal injury and property damage and in the imposition of civil and criminal penalties. If our Company experiences delays in production or shutdowns due to any reason, including disruptions caused by disputes with its workforce or any external factors, our Company's operations will be significantly affected, which in turn would have a material adverse effect on its business, financial condition and results of operations.

Further, the activities carried out at our manufacturing facilities may be potentially dangerous to our employees/labours. While we employ safety procedures in the operation of our manufacturing facilities and maintain what we believe to be adequate insurance, there is a risk that an accident may occur at our

manufacturing facilities. An accident may result in personal injury to our employees or the labour deployed at our facilities, destruction of property or equipment, manufacturing or delivery delays, environmental damage, or may lead to suspension of our operations and/ or imposition of liabilities. Any such accident may result in litigation, the outcome of which is difficult to assess or quantify, and the cost of defending such litigation can be significant. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, financial condition, results of operations, cash flows and prospects.

17. We require a number of approvals, NOCs, licenses, registrations and permits in the ordinary course of our business. Any failure or delay in obtaining the same in a timely manner may adversely affect our operations.

We require a number of approvals, licenses, registrations and permits in ordinary course of our business. Additionally, we need to apply for renewal of approvals which expire, from time to time, as and when required in the ordinary course.

Company is yet to make registration under Contract Labour Registration under Section 7 of the Contract Labour (Regulation & Abolition) Act, 1970 and rules made thereunder. W.r.t. Approvals for the Proposed facility, the District Industries Center (DIC) issues “Udhyog Aadhaar Memorandum” from the date of starting of Commercial production. Company shall be applying to DIC as soon as the commercial production commences.

With respect to Environment related Clearance from Pollution Control Board, Our Company has made application dated December 15, 2018 with Madhya Pradesh Pollution Control Board for Environment Clearance for Capacity Expansion for manufacturing Bulk Drugs and Intermediate Product at proposed facility. The said application was forwarded by State Environment Impact Assessment Authority to State Level Expert Appraisal Committee for determining scope of activities and Terms of reference in order to carry out Environmental Impact Assessment and to prepare Environment Management Plan for the project. Accordingly, Terms of Reference dated March 01, 2019 has been issued by State Level Expert Appraisal Committee, Madhya Pradesh Pollution Control Board, Government of India, Ministry of Environment, Forest and Climate Change. As on date of this Draft Red Herring Prospectus, Company is in process of complying with those terms in order to obtain Consent to Establish from Madhya Pradesh Pollution Control Board.

In case of delay or failure to obtain the same, it could affect our business operations. Any failure to renew the approvals that have expired, or to apply for and obtain the required approvals, licences, registrations or permits, or any suspension or revocation of any of the approvals, licences, registrations and permits that have been or may be issued to us, could result in delaying the operations of our business, which may adversely affect our business, financial condition, results of operations and prospects. For more information, see chapter “Government and Other Statutory Approvals” on page 223 of this Draft Red Herring Prospectus.

18. We depend on certain brand names and our corporate name and logo that we may not be able to protect and/or maintain.

Our ability to market and sell our products depends upon the recognition of our brand names and associated consumer goodwill. We have applied for two trademarks vide Application Number 3954998 and 3954999 for our Corporate Logo and Corporate Name respectively. The trademark for corporate logo is registered in our name. Currently, we do not have registered trademark for our corporate name “UNIDRUG” under the Trade Marks Act, 1999 and the status for the application is Objected. Consequently, we do not enjoy the statutory protections accorded to registered trademarks in India for our Company. There is no guarantee that the application for registration of our logo will be accepted in favour of the Company. This may affect our ability to protect our trademark in the event of any infringement of our intellectual property. In the

absence of such registrations, competitors and other companies may challenge the validity or scope of our intellectual property right over these brands or our corporate name or logo. As a result, we may be required to invest significant resources in developing new brands or names, which could materially and adversely affect our business, financial condition, results of operations and prospects. In addition to same, our failure to comply with existing or increased regulations, or the introduction of changes to existing regulations, could adversely affect our business, financial condition, results of operations and prospects.

19. Compliance with, and changes in, safety, health and environmental laws and regulations may adversely affect our business, prospects, financial condition and results of operations.

Due to the nature of our business, we expect to be or continue to be subject to extensive and increasingly stringent environmental, health and safety laws and regulations and various labour, workplace and related laws and regulations. We are also subject to environmental laws and regulations, including but not limited to:

- Environment (Protection) Act, 1986
- Air (Prevention and Control of Pollution) Act, 1981
- Water (Prevention and Control of Pollution) Act, 1974
- Hazardous Waste Management & Handling Rules, 2008
- Public Liability Insurance Act, 1991
- National Environment Policy, 2006
- The Indian Boilers Act, 1923
- Legal Metrology Act, 2009
- The Drugs and Cosmetics Act, 1940;
- The Drugs and Cosmetic Rules, 1945;
- Other regulations promulgated by the Ministry of Environment and Forests and the Pollution Control Boards of the state of Madhya Pradesh

which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from the operations of our business. The scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted and hence the costs and management time required to comply with these requirements could be significant. Amendments to such statutes may impose additional provisions to be followed by our Company and accordingly the Company needs to incur clean-up and remediation costs, as well as damages, payment of fines or other penalties, closure of production facilities for non - compliance, other liabilities and related litigation, could adversely affect our business, prospects, financial condition and results of operations.

20. Our Company's failure to maintain the quality standards of the products could adversely impact our business, results of operations and financial condition.

Quality Control Inspection is an integral part of our operations. We are required to implement quality management system in respect of all API Products. Our products depend on customer's specifications in the Pharmaceutical sector. Any failure to maintain the quality standards of our products may affect our business. Although we have put in place strict quality control procedures, we cannot assure that our products will always be able to satisfy our customers' quality standards. Any negative publicity regarding our Company, or products, including those arising from any deterioration in quality of our products from our vendors, or any other unforeseen events could adversely affect our reputation, our operations and our results from operations.

21. Our business is dependent on the adequate and uninterrupted supply of electrical power and water at a reasonable cost. Failure on account of unavailability of electrical power and water may restrict us in utilizing our full capacity and hence, may impact our business and results of operations.

Adequate and cost effective supply of electrical power is critical to our operations, which entails significant consumption of electrical power. Currently, we source power requirements by purchasing electricity from Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited. Company has DG set as an alternative supply of power but there can be no assurance that electricity supplied by them will be sufficient to meet our requirements or that we will be able to procure adequate and interrupted power supply in the future at a reasonable cost. Further, if the per unit cost of electricity is increased by the state electricity board, our power costs will increase and it may not be possible to pass on any increase in our power costs to our customers, which may adversely affect our profit margins. We require ample water (Approximately 25,000 Ltr per day) for various manufacturing activities. We source our water requirements by our own tubewell as well as by procuring the same from Third Party via Tankers. We also source water from Madhya Pradesh Audyogik Kendra Vikas Nigam. Lack of sufficient water resources or an increase in the cost of such water used in manufacturing facilities could adversely affect our business, financial condition and results of operations.

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

The Active Pharmaceutical Ingredient product segment is highly competitive. Increasing competition may subject us to pricing pressures and require us to reduce the prices of our products and services in order to retain or attract customers, which may have a material adverse effect on our revenues and margins. Further, many of our competitors are larger international and domestic companies and have access to greater resources or may be able to develop or acquire technology or partner with innovators or customers at terms which are not presently feasible for us, due to our current scale of operations. Any failure to keep abreast with technological advancements might place our competitors at an advantageous position in terms of cost, efficiency and timely delivery of final products. While we are focused on developing cost and time efficiencies and to broaden our product range, in particular in certain niche segments, in the event our competitors develop better process technology or improved process yield or are able to source raw materials at competitive prices, and are therefore able to create new products or substitutes for our products at competitive prices, we may not be able to maintain our growth rate and revenues and our profitability may decline. Any of these factors may have a material adverse effect on our business and prospects.

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

Our business is working capital intensive. A significant portion of our working capital is utilized towards inventories, trade receivables and trade payables. A brief summary of our working capital position based on our Restated Financials is given below:-

Amount (Rs. In lakhs)

Particulars	For the year ended		
	March 31, 2019	March 31, 2018	March 31, 2017
A. Current Asset			
(a) Inventories	441.14	328.03	212.52
(b) Trade receivables	956.72	919.28	786.26
(c) Cash and cash equivalents	94.82	88.36	44.81
(d) Short-term loans and advances	23.75	10.90	27.91
(e) Other Current Assets	12.89	1.89	1.99
B. Other Current Assets			
(a) Trade payables	364.34	679.46	479.88
(b) Other current liabilities	29.32	41.16	57.80

Particulars	For the year ended		
	March 31, 2019	March 31, 2018	March 31, 2017
(c) Short-term provisions	28.46	56.09	2.71
Working Capital (A-B)	1107.21	571.76	533.09
Trade Receivables as % of total current assets	62.56%	68.17%	73.24%
Inventories as % of total current assets	28.85%	24.33%	19.80%

We intend to continue growing by reaching out to new customers and also increasing sales to the existing customers and thereby reaching to other geographical areas. All these factors may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement, please refer to the chapter titled “Objects of the Issue” beginning on page 83 of this Draft Red Herring Prospectus.

24. Our Company has negative cash flows from its operating activities in the last financial year out of past 3 years, details of which are given below. Sustained negative cash flow could impact our growth and business.

Our Company had negative cash flows from its operating activities in the last financial year out of previous three years as per the Restated Financial Statements and the same are summarized as under:

Amount (Rs. In lakhs)

Particulars	For the year ended		
	Mar-19	Mar-18	Mar-17
Cash Flow from / (used in) Operating Activities	(72.03)	218.83	97.93

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows in future, it may adversely affect our business and financial operations.

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

Our Company uses third party transportation for procurement of raw materials and delivery of our finished products. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. These transportation facilities may not be adequate to support our existing and future operations. In addition goods may be lost or damaged in transit for various reasons including but not limited to occurrence of accidents or natural disasters. There may also be delay in delivery of products which may also affect our business and results of operation negatively. An increase in the freight costs or unavailability of freight for transportation of our goods may have an adverse effect on our business and results of operations. Further, disruptions of transportation services due to weather-related problems, strikes, lockouts, inadequacies in the road infrastructure and port facilities, or other events could impair ability to procure goods on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

26. Our success depends in large part upon the strength of our management team and other skilled professionals. If we fail to attract, retain and manage transition of these personnel, our business may be unable to grow and our revenue could decline.

The continued efforts of the senior members of our management team and other skilled professionals are critical to our success. Our ability to execute engagements and to obtain new clients depends in large part

on our ability to attract, train, motivate and retain skilled and unskilled professionals, especially senior management personnel, senior technical personnel, project managers and engineers etc. If we cannot hire and retain additional qualified personnel, our ability to bid on and obtain new projects and to continue to expand our business will be impaired and our revenue could decline. We believe that there is significant competition within our industry for professionals with the skills necessary to perform the services we offer, particularly in the locations in which we have operations. We may not be able to hire and retain enough skilled and experienced employees to replace those who leave. Increasing competition for technology professionals may also impact our ability to retain personnel. Changes in government policies may also affect our ability to attract hire and retain personnel. If we are unable to offer them higher compensation, we may be unable to attract or retain them. Our business, financial condition and results of operations could be adversely affected if we are unable to manage employee hiring and attrition to achieve a stable and efficient workforce structure.

- 27. The Company has not placed orders for 94.86% of plant & machinery and equipment for our proposed object of expansion, as specified in the chapter “Objects of the Issue”. Any delay in placing orders, procurement of plant & machinery and equipment may delay our implementation schedule and may also lead to increase in price of these plant & machinery and equipment, further affecting our revenue and profitability.**

As on date of the Draft Red Herring Prospectus, we have not placed orders for all plant & machinery and equipments required for proposed expansion. We have identified the type of plant and machinery and equipments required to be bought towards proposed objects. However, we are yet to place orders for 94.86% of the Plant & Machinery worth Rs. 1,306.17 Lakhs as detailed in the “Objects of the Issue” beginning on Page 83 of this Draft Red Herring 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 equipment, 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 effect 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 83 of this Draft Red Herring Prospectus.

- 28. Delay in schedule of expansion of our existing manufacturing unit 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 proposes to utilize Rs.1,100 lakhs towards financing expansion of our existing manufacturing facility. For further details regarding proposed expansion of our existing manufacturing unit, please refer the chapter titled our “Objects of the Issue” on page 83 respectively of this Draft Red Herring Prospectus. We may face risks relating to the commissioning and installation of these plant and machineries and equipment for reasons 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 and other jurisdictions in which we operate. 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 use of plant and machineries and equipment, our other 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 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 Issue Proceeds to achieve the planned growth in our business, the use of the Net Issue 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.

29. Conflicts of interest may arise out of common business undertaken by our Company and our Group Company.

Our Group Company namely, Univive Healthcare Private Limited is authorized to carry out business similar to that of our Company. We get the job work done for two products i.e. Ornidazole and Guaifenesin from our group Company i.e. Univive Healthcare Private Limited under a Job Work agreement. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and our group Company in circumstances where our respective interests diverge. In cases of conflict, our Promoters may favour other companies in which our Promoters have interests. There can be no assurance that our Promoters or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition.

However the Job Work agreement entered with Univive Healthcare Private Limited provides that: *Univive Healthcare Private Limited will neither manufacture and sale for themselves such products manufactured by Unidrug Innovative Pharma Technologies Limited nor through any other party during the tenure of Job Work Agreement.*

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

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

31. The industry in which we operate is labour intensive and our operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees.

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

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

32. Our Company does not own the land on which our Registered Office, Manufacturing facility, warehousing facility are situated which we have taken on lease.

Our Company does not own the land on which our Registered Office, Manufacturing Facility, warehousing facility are situated i.e. Plot No. 84 A, 84B, 72B Sector-E, Sanwer Road Industrial Area, Village Narval, Tehsil Indore - 452 015, Madhya Pradesh, India. These premises have been taken on lease from Governor of Madhya Pradesh acting through General Manager, District Industries Centre, Indore, Madhya Pradesh for a lease period of 99 Years and 29 years respectively. Further, the proposed facility will be located Plot No. 85 A & 85 B, 86 B Sector-E, Sanwer Road Industrial Area, Village Narval, Tehsil Indore - 452 015, Madhya Pradesh, India. The same have also taken on lease from Governor of Madhya Pradesh acting through General Manager, District Industries Centre, Indore, Madhya Pradesh for a lease period of 29 years.

If any such agreement under which we occupy the premises is not renewed on terms and conditions that are favourable to us, or at all, we may suffer a disruption in our operations which could have a material adverse effect on our business, financial condition and results of operations. If we do not comply with certain conditions of the lease, the lessor may terminate the lease, which could have an adverse effect on our operations and there can be no assurance that renewal of lease agreement with the owner will be entered into. In the event of non-renewal of lease, we may be required to shift our Registered Office, Manufacturing facility, warehousing facility to a new location and there can be no assurance that the arrangement we enter into in respect of new premises would be on such terms and conditions as the present one.

33. We do not have any offshore office or business place to look after our export operations.

We cater our API products to both domestic as well as international markets. We provide our API and intermediate products to Pharmaceutical Manufacturers in India as well as outside India. However, we do not have any offshore office as a result of which we may not be able to capitalize on opportunities offered by the evolving international healthcare sector in a timely manner. The business operations of our Company are handled from registered office and manufacturing facility both strategically located at Indore, Madhya Pradesh. Apart from this, our Company does not have any place of business overseas either in the nature of liaison office or corporate office. Due to this, we may not be able to expand our business effectively in the international market, thereby affecting the results of operations and profitability.

34. We may be held liable for the payment of wages to the contract labour we engage in our business.

In order to retain flexibility and ensure timely availability of a pool of skilled and non-skilled workers, our Company engages contract labour throughout our manufacturing facilities. Although our Company does not employ such contract labour directly, we may be held responsible for any wage payments to be made to such contract labour in the event of default by the third-party agencies, who employ them. If we are required to pay the wages of the independent contract labour, our results of operations and financial condition could be adversely affected. Further, we could be held liable for the acts committed by, or omission on the part of, personnel engaged by us on a contract basis.

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

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

36. We may not be successful in implementing our business strategies.

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

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

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

38. We have certain contingent liabilities that have not been provided for in our Company's financials which if materialized, could adversely affect our financial condition.

As on March 31, 2019, our Company has following contingent liabilities as per restated financial statements, the details for which are as under:

Amount (Rs. in. Lakhs)

Particulars	Amount Outstanding as on March 31, 2019
Letter of Credit	50.32
Total	50.32

In the event any such contingencies mentioned above were to materialize or if our contingent liabilities were to increase in the future, our financial condition could be adversely affected. For further details, see the section entitled —Financial Statements on page 196 of this Draft Red Herring Prospectus.

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

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

40. Our insurance coverage may not be adequate.

Our Company has obtained insurance coverage in respect of certain risks. We have taken insurance policies such as Standard Fire and Special Perils Policy, Fire Floater Policy including Earthquake Cover, Machinery Insurance Policy, Electronic Equipment Insurance Policy and Marine Cargo Open Policy for our manufacturing facilities and products. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like loss of profits, losses due to terrorism, etc. Further, there can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial

condition and results of operations may be materially and adversely affected. For further details, please refer chapter titled “Our Business” beginning on page 123 of this Draft Red Herring Prospectus.

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

We have secured our lenders by creating a charge over our movable and immovable properties in respect of loans / facilities availed by us from banks and financial institutions. The total amounts outstanding and payable by us as secured loans were Rs. 379.93 Lakhs as per restated financials for period ended March 31, 2019. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information on the “Financial Indebtedness” please refer to page 213 of this Draft Red Herring Prospectus.

42. Our lenders have imposed certain restrictive conditions on us under our financing arrangements.

Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure, formulate a scheme of amalgamation or reconstruction and entering into any other borrowing arrangement. Further, we are required to maintain certain financial ratios. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. For further information, see the chapter titled “Financial Indebtedness” on page 213 of the Draft Red Herring Prospectus. Though these covenants are restrictive to some extent for us, however it ensures financial discipline, which would help us in the long run to improve our financial performance.

43. The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of our Company.

Since, the Issue size is less than Rs.10,000 lakh, there is no mandatory requirement of appointing an independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

44. Within the parameters as mentioned in the chapter titled ‘Objects of this Issue’ beginning on page 83 of this Draft Red Herring Prospectus, our Company’s management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.

We intend to use Issue Proceeds towards financing the expansion of our existing manufacturing facility of the Company, General Corporate Purpose and to meet the issue expenses. We intend to deploy the Net Issue Proceeds in FY 2019-20 and FY 2020-21. The deployment of the fund is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the 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 83 of this Draft Red Herring Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company’s Board of Directors. The fund requirement and deployment is based on internal management estimates and has not

been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled 'Objects of the Issue' beginning on page 83 of this Draft Red Herring Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. Our Audit Committee will monitor the proceeds of this Issue.

However, Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. However in accordance with Section 27 of the Companies Act, 2013, a company shall not vary the objects of the Issue without our Company being authorised to do so by our shareholders by way of special resolution and other compliances in this regard. Our Promoters and controlling shareholder shall provide 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.

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

As on date of this Draft Red Herring Prospectus, we have not made any alternate arrangements for meeting our capital requirements for the objects of the issue. We meet our capital requirements through our bank finance, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further, we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled "Objects of the Issue" beginning on page 83 of this Draft Red Herring Prospectus.

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

After completion of the Issue, our Promoters and Promoter Group will collectively own [●]% of the Equity Shares. As a result, our Promoters together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act, 2013 and our AoA. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

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

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

Based on Restated Financial Statement, our Company has unsecured loans as at March 31, 2019, amounting to Rs. 69.95 lakhs from Promoters and members of Promoter Group that are repayable on demand to the relevant lenders as per restated financial statements. Further, some of these loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lender at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows. For further details of

unsecured loans of our Company and its subsidiary company, please refer the chapter titled “Financial Statements as Restated” beginning on page 196 of this Draft Red Herring Prospectus.

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

We may require additional capital from time to time depending on our business needs. Any issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “Dividend Policy” on page 195 of this Draft Red Herring Prospectus.

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

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

51. In addition to normal remuneration or benefits and reimbursement of expenses, our Directors, Promoters and Key Managerial Personnel (KMPs) are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.

Our Directors, Promoters and Key Managerial Personnel (“KMPs”) are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, our Directors, Promoters and KMPs may also be interested to the extent of their shareholding and dividend entitlement in our Company. For further information, see “Capital Structure” and “Our Management” on pages 67 and 171, respectively, of this Draft Red Herring Prospectus.

52. We have taken guarantees from Promoters and members of Promoter Group in relation to debt facilities provided to us.

We have taken guarantees from Promoters and members of Promoter Group in relation to our secured debt facilities availed from our Bankers. In an event any of these persons withdraw or terminate its/their

guarantees, the lender for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information please see the chapter titled “Financial Indebtedness” beginning on page 213 of this Draft Red Herring Prospectus.

53. We have in the past entered into related party transactions and may continue to do so in the future.

Our Company has entered into transactions with our Promoter, Promoter Group Entities and Group Company. While we believe that all such transactions are conducted on arm’s length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions were not entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in future. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to chapter “Related Party Transactions” in Section “Financial Statements as Restated” beginning on page 196 of the Draft Red Herring Prospectus.

54. Industry information included in this Draft Red Herring Prospectus has been derived from industry reports. 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 Red Herring 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 amounts may differ materially from those included in this Draft Red Herring Prospectus.

55. Certain agreements may be inadequately stamped or may not have been registered as a result of which our operations may be adversely affected.

Few of our agreements may not be stamped adequately or registered. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. The effect of non-registration, in certain cases, is to make the document inadmissible in legal proceedings. Any potential dispute due to non-compliance of local laws relating to stamp duty and registration may adversely impact the operations of our Company.

ISSUE SPECIFIC RISKS:

56. The Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price, or at all.

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is proposed to be determined through a book building process in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

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

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

- Volatility in the India and global capital market;
- Company's results of operations and financial performance;
- Performance of Company's competitors;
- Adverse media reports on Company;
- Changes in our estimates of performance or recommendations by financial analysts;
- Significant developments in India's economic and fiscal policies; and
- Significant developments in India's environmental regulations.

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

58. 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 will be determined by Book Built method. This price is based on numerous factors (For further information, please refer chapter titled "Basis for Issue Price" beginning on page 95 of this Draft Red Herring Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

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

59. QIB and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid Period and withdraw their Bids until Bid Closing Date. While our Company is required to complete Allotment pursuant to the issue within six Working Days from the Bid Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Bidders ability to sell the Equity Shares Allotted pursuant to the issue or cause the trading price of the Equity Shares to decline on listing.

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

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

EXTERNAL RISK FACTORS:

INDUSTRY RISKS

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

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

OTHER RISKS

62. 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 Red Herring Prospectus.

As stated in the reports of the Auditor included in this Draft Red Herring Prospectus under chapter "Financial Statements as restated" beginning on page 196, the financial statements included in this Draft Red Herring Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Draft Red Herring Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Draft Red Herring Prospectus. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

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

The regulatory and policy environment in India is evolving and subject to change. Such changes in applicable law and policy in India, including the instances described below, may adversely affect our

business, financial condition, results of operations, performance and prospects in India, to the extent that we are not able to suitably respond to and comply with such changes.

For instance, in November 2016, the Government of India demonetized certain high-value denominations of currency. Trading and retail businesses in India were impacted for a limited period of time on account of such demonetization. Such businesses have subsequently needed to introduce additional point of sale instruments to improve their collection process.

The Government of India implemented a comprehensive national goods and services tax (“GST”) regime that combines taxes and levies by the central and state governments into a unified rate structure from July 1, 2017, which we believe will result in fundamental changes. However, given its recent introduction, there is no established practice regarding the implementation of, and compliance with, GST. The implementation of the new GST regime has increased the operational and compliance burden for Indian companies and has also led to various uncertainties. Any future increases and amendments to the GST regime may further affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the introduction of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST, as it is implemented. Further, as GST is implemented, there can be no assurance that we will not be required to comply with additional procedures and/or obtain additional approvals and licenses from the government and other regulatory bodies or that they will not impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of GST may have a material adverse effect on our business, financial condition and results of operations.

Further, the General Anti Avoidance Rules came into effect on April 1, 2017. The effect of the application of these provisions to our business in India is at present uncertain. Furthermore, the Finance Act, 2018 instituted a number of amendments to the existing direct and indirect tax regime which includes the withdrawal of long-term capital gains exemptions on equity shares, long term capital gains applicability in the hands of Foreign Institutional Investors and applicability of dividend distribution tax for certain transactions with shareholders, among others.

64. 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 GoI 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.

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

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

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

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

67. 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.

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

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

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

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

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

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

SECTION IV – INTRODUCTION
SUMMARY OF FINANCIAL STATEMENTS

Details	Page. No.
Summary of Restated Financial Statements	A1-A3

ANNEXURE - I
RESTATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in lakhs)

Particulars	As at		
	31-03-2019	31-03-2018	31-03-2017
I. EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	196.60	196.60	196.60
Reserves and Surplus	802.30	480.21	330.97
Share Application Money Pending Allotment	-	-	-
Non Current Liabilities			
Long-term Borrowings	96.24	60.02	78.00
Deferred Tax Liabilities (Net)	35.96	35.47	58.56
Other Long Term Liabilities	0.00	0.00	0.00
Long-term Provisions	17.73	16.70	14.47
Current Liabilities			
Short-term Borrowings	349.41	212.17	287.44
Trade Payables	364.34	679.46	479.88
Other Current Liabilities	29.32	41.16	57.80
Short-term Provisions	28.46	56.09	2.71
Total	1920.35	1777.89	1506.44
II. ASSETS			
Non Current Assets			
Fixed assets			
(i) Tangible Assets	301.15	266.63	287.33
(ii) Intangible Assets	0.00	0.00	0.00
(iii) Capital Work-In-Progress	6.92	0.00	0.00
Non Current Investments	0.00	0.00	22.00
Deferred Tax Assets (Net)	0.00	0.00	0.00
Long-term Loans and Advances	82.96	162.78	123.62
Other Non Current Assets	0.00	0.00	0.00
Current Assets			
Current Investments	0.00	0.00	0.00
Inventories	441.14	328.03	212.52
Trade Receivables	956.72	919.28	786.26
Cash and Bank Balance	94.82	88.36	44.81
Short-term Loans and Advances	23.75	10.90	27.91
Other Current Assets	12.89	1.89	1.99
Total	1920.35	1777.89	1506.44

Note:- The above statement should be read with Notes to Restated Summary Statement of Profit and Loss, Cash Flows and Significant Accounting Policies appearing in Annexures II, III and IV.

As per our report of even date
For: **S N Gadiya & Co.**
Chartered Accountants
FRN: 02052C

For and on behalf of the Board of Directors
For Unidrug Innovative Pharma Tech. Ltd.

Sd/-
S N Gadiya
Proprietor
Membership No. 071229

Sd/-
Jainesh Jain
Managing Director
DIN:02355170

Sd/-
Varsha Jain
Director
DIN:00255907

Place: Indore
Date: August 31st, 2019

ANNEXURE - II
RESTATED STATEMENT OF PROFIT AND LOSS

(₹ in lakhs)

Particulars		For the Year Ended		
		31-03-2019	31-03-2018	31-03-2017
Revenue from Operations		3085.98	3250.34	2623.49
Other Income		16.27	7.18	26.82
Total Revenue	A	3102.25	3257.52	2650.32
Expenses:				
Cost of materials consumed		1808.16	2186.61	1802.17
Purchase of Stock-in-Trade		0.00	0.00	0.00
Changes in Inventory		-58.66	-48.66	140.84
Employee Benefits Expense		215.34	176.73	124.35
Finance Costs		30.99	23.01	61.47
Other Expenses		628.15	674.97	464.76
Depreciation And Amortization Expense		28.14	18.28	22.74
Total Expenses	B	2652.12	3030.94	2616.33
Profit before exceptional and extraordinary items and tax (A-B)	C	450.13	226.58	33.98
Exceptional Items				
- Loss on Investment		0.00	-22.00	0.00
Profit before extraordinary items and tax		450.13	204.58	33.98
Extraordinary item		0.00	0.00	0.00
Profit Before Tax		450.13	204.58	33.98
Less: Tax Expense				
- Current Tax		127.55	78.43	6.48
- MAT Credit Entitlement		0.00	0.00	-2.31
- Deferred Tax Liability / (Asset)		0.49	-23.09	6.34
Restated profit after tax for the period from continuing operations		322.09	149.23	23.47
Profit/ (Loss) from Discontinuing operation		0.00	0.00	0.00
Tax expenses of discontinuing operations		0.00	0.00	0.00
Restated profit for the period		322.09	149.23	23.47
Earning Per Equity Share				
Basic		4.20	1.95	0.31
Diluted		4.20	1.95	0.31

Note:- The above statement should be read with Notes to Restated Summary Statement of Asset and Liabilities, Cash Flows and Significant Accounting Policies appearing in Annexures I, III and IV.

As per our report of even date attached

For: S N Gadiya & Co.

Chartered Accountants

FRN: 02052C

For and on behalf of the Board of directors

For Unidrug Innovative Pharma Tech. Ltd.

Sd/-

S N Gadiya

Proprietor

Membership No. 071229

Sd/-

Jainesh Jain

Managing Director

DIN:02355170

Sd/-

Varsha Jain

Director

DIN:00255907

Place: Indore

Date: August 31st, 2019

ANNEXURE - III
RESTATED CASH FLOW STATEMENT

(₹ in lakhs)

Particulars	For the Year Ended		
	31-03-2019	31-03-2018	31-03-2017
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax	450.13	204.58	33.98
Adjustment for Non-Cash and Non Operating Items :			
Interest income	-6.27	-4.57	-5.44
Fixed Asset write-off	0.67	66.01	0.00
Net (Profit) / Loss by Sale of Fixed Asset	0.00	0.00	-0.88
Net (Profit) / Loss by Sale of Investment	0.00	22.00	0.00
Depreciation	28.14	18.28	22.74
Interest on Borrowed Fund & Finance Charges	30.99	23.01	61.47
Operating profit before working capital changes	503.66	329.31	111.87
Adjustment for change in Net current Assets :			
(Increase)/Decrease in Inventories	-113.12	-115.50	156.15
(Increase)/Decrease in Trade Receivables	-37.44	-133.02	-45.60
(Increase)/Decrease in Long Term loans and advances	79.83	-39.17	17.56
(Increase)/Decrease in Short Term loans and advances	-12.85	17.00	-27.24
(Increase)/Decrease in Other Current Assets	-11.00	0.09	-1.99
Increase/(Decrease) in trade payables	-315.12	199.58	-105.07
Increase/(Decrease) in Short Term Provisions	-29.67	-2.35	1.94
Increase/(Decrease) in other current liabilities	-11.85	-16.64	-3.42
Increase/(Decrease) in Other Non Current Assets	0.00	0.00	0.00
Increase/(Decrease) in other Long Term Liabilities	0.00	0.00	0.00
Increase/(Decrease) in Long Term Provision	1.02	2.23	2.17
	-450.19	-87.78	-5.49
Cash generated from / (used in) operations	53.47	241.53	106.38
Income Tax (paid)/refund	-125.50	-22.70	-8.45
Net cash generated from/(used in) operating activities - (A)	-72.03	218.83	97.93
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of tangible fixed assets	-70.25	-63.59	-40.85
Sale of fixed assets	0.00	0.00	1.25
(Increase)/Decrease in Current Investments	0.00	0.00	0.00
(Increase)/Decrease in other Non-Current Investment	0.00	0.00	0.00
Interest Income	6.27	4.57	5.44
Net cash (used in) Investing Activities - (B)	-63.98	-59.02	-34.15
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of Share Capital	0.00	0.00	0.00
Proceeds from Loan/Repayment of Long Term Borrowing	36.21	-17.98	-33.25
Increase/(Decrease) in Short Term Borrowings	137.24	-75.27	-6.47
Interest on Borrowed Fund & Finance Charges	-30.99	-23.01	-61.47
Net cash(used in) / from financing activities - (C)	142.46	-116.26	-101.19
Net Increase/(decrease) in Cash & Cash Equivalents (A+B+C)	6.46	43.55	-37.42
Cash and cash equivalents at the beginning of the year	88.36	44.81	82.23
Cash and cash equivalents at the end of the year	94.82	88.36	44.81
Cash and cash equivalents at the end of year comprises :			
Cash in hand	4.61	2.90	2.24
Balances with scheduled banks:			
In current accounts	0.90	9.05	11.46
In Deposits with Scheduled Bank	32.06	31.42	0.00
As Margin Money	57.25	45.00	31.11
Total Cash and cash equivalents	94.82	88.36	44.81

Notes:-

- The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard -3 on Cash Flow Statement, specified under 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 above statement should be read with Notes to Restated Summary Statement of Asset and Liabilities, Statement of Profit and Loss, and Significant Accounting Policies as appearing in Annexures I, II and IV.

As per our report of even date attached

For: S N Gadiya & Co.

Chartered Accountants

FRN: 02052C

For and on behalf of the Board of directors

For Unidrug Innovative Pharma Tech. Ltd.

Sd/-

S N Gadiya

Proprietor

Membership No. 071229

Sd/-

Jainesh Jain

Managing Director

DIN:02355170

Sd/-

Varsha Jain

Director

DIN:00255907

Place: Indore

Date: August 31st, 2019

THE ISSUE

The following table summarizes the Issue details:

Particulars	Details of Equity Shares
Issue of Equity Shares by Our Company ⁽¹⁾	Issue of up to 41,34,000* Equity Shares of face value of Rs. 10/- each fully paid up of the Company for cash at a price of Rs. [●]/- per Equity share aggregating Rs. [●] Lakhs ⁽²⁾
Consisting of:	
Market Maker Reservation Portion	[●] Equity Shares of face value of Rs. 10/- each fully paid up of the Company for cash at a price of Rs. [●] /- per Equity share aggregating Rs. [●] Lakhs.
Net Issue to the Public	Up to [●] Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at a price of Rs. [●] /- per share aggregating Rs. [●] Lakhs.
Of Which	
A. QIB Portion ^{(3) (4)}	No shares shall be reserved for allocation to QIBs.**
B. Retail Portion ^{(3) (4)}	[●] Equity Shares of face value of Rs. 10/- each.
C. Non-Institutional Portion ^{(3) (4)}	[●] Equity Shares of face value of Rs. 10/- each.
Pre and Post Issue Equity Shares	
Equity Shares outstanding prior to the Issue	76,67,400 Equity Shares of face value of Rs.10/- each.
Equity Shares outstanding after the Issue	Upto [●] Equity Shares of face value of Rs.10/- each.
Utilization of proceeds of this Issue	For details, please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 83 of this Draft Red Herring Prospectus for information on use of Issue Proceeds.

*Number of shares may need to be adjusted for lot size upon determination of issue price.

**There are no equity shares reserved for allocation to QIB Portion. However, QIBs can apply in the Non-Institutional Portion.

Notes:-

- 1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
- 2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on August 01, 2019 and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Annual General Meeting held on August 23, 2019.
- 3) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, wherein not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs. Further not less than 15 % of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. For further details, see “Issue Procedure” beginning on page 244 of this Draft Red Herring Prospectus.

- 4) *In the event of over-subscription, Allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange.*

For further details please refer to section titled 'Issue Information' beginning on page 236 of this Draft Red Herring Prospectus.

GENERAL INFORMATION

Our Company was originally incorporated as “Uni Drug Private Limited” at Indore, as a Private Limited Company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated March 13, 1987 bearing Registration Number 3875, issued by the Registrar of Companies, Gwalior, Madhya Pradesh. Subsequently, our Company was converted into a Public Limited Company pursuant to a special Resolution passed by the shareholders of the Company at the extra-ordinary general meeting held on October 12, 1995 consequent to which the name of our Company was changed to “Uni Drug Limited” vide a fresh Certificate of Incorporation dated December 4, 1995 issued by the Registrar of Companies, Gwalior, Madhya Pradesh bearing Registration Number 10-03875. Further, the name of our Company was changed to “Unidrug Innovative Pharma Technologies Limited” to signify the Company’s operations into Pharmaceuticals, pursuant to a special resolution passed by the shareholders of our Company at the extra-ordinary general meeting held on September 14, 1996 vide a fresh Certificate of Incorporation dated September 17, 1996 issued by Registrar of Companies, Gwalior, Madhya Pradesh bearing Registration Number 10-3875. The Corporate Identification Number of our Company is U85120MP1987PLC003875.

For details of Incorporation, Change of Name and Registered Office of our Company, please refer to chapter titled ‘*Our History and Certain Other Corporate Matters*’ beginning on page 168 of this Draft Red Herring Prospectus.

REGISTERED OFFICE OF OUR COMPANY

Unidrug Innovative Pharma Technologies Limited

Plot. No. 84-A, Sector – E, Sanwer Road, Indore - 452015,
Madhya Pradesh, India.

Tel: +91 0731-2720402

Email: info@unidrugindia.com

Website: www.unidrugindia.com

Corporate Identification Number: U85120MP1987PLC003875

REGISTRAR OF COMPANIES

Registrar of Companies, Gwalior, Madhya Pradesh

3rd Floor, 'A' Block,
Sanjay Complex Jayendra Ganj,
Gwalior Madhya Pradesh, India

Website: www.mca.gov.in

DESIGNATED STOCK EXCHANGE

National Stock Exchange of India Limited

Exchange Plaza, Plot no. C/1, G Block,
Bandra - Kurla Complex, Bandra (E),
Mumbai - 400 051,
Maharashtra, India.

Website: www.nseindia.com/emerge

BOARD OF DIRECTORS OF OUR COMPANY

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

Sr. No.	Name	Age (in Years)	DIN	Address	Designation
1.	Jainesh Jain	46	02355170	13/2, Ananda street No.2, New Palasia Opposite Kothari Palasia Terrace, Indore-452001 Madhya Pradesh, India	Chairman & Managing Director
2.	Varsha Jain	45	00255907	13/2, Ananda, New Palasia Opposite Kothari Terrace, Indore-452001 Madhya Pradesh, India	Non Executive Director
3.	Bharat Jain	44	00035708	13/2, Ananda, New Palasia Opposite Kothari Terrace, Indore-452001 Madhya Pradesh, India	Non-Executive Director
4.	Gajanand Agrawal	73	08215163	House no. 952 Khatiwala Tank, Near Tower Square, Khatiwala Tank Indore-452018 Madhya Pradesh, India	Independent Director
5.	Mahesh Asawa	71	08213769	12, Anand Nagar, Bhawarkuan road, Behind Sapna Sangita Talkies, Indore-452001 Madhya Pradesh, India	Independent Director
6.	Niresh Maheshwari	41	06735182	479, Gumasta Nagar, Sudama Nagar, Indore – 452009, Madhya Pradesh, India.	Independent Director

For further details of our Directors, please refer to the chapter titled “*Our Management*” beginning on page 171 of this Draft Red Herring Prospectus.

CHIEF FINANCIAL OFFICER

Mahesh Nabar

Unidrug Innovative Pharma Technologies Limited

Plot. No. 84-A, Sector – E, Sanwer Road, Indore - 452015

Madhya Pradesh, India

Tel: +91 0731-2720402

Email: cfo@unidrugindia.com

Website: www.unidrugindia.com

COMPANY SECRETARY & COMPLIANCE OFFICER

Anamika Runwal

Unidrug Innovative Pharma Technologies Limited

Plot. No. 84-A, Sector – E, Sanwer Road, Indore - 452015

Madhya Pradesh, India

Tel: +91 0731-2720402

Email: cs@unidrugindia.com

Website: www.unidrugindia.com

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

refund orders and non-receipt of funds by electronic mode. For all the issue related queries and for redressal of complaints, Bidders may also write to the BRLMs or the Registrar in the following manner:

All issue related grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder's DP ID, Client ID, PAN, date of the ASBA Form, address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder and ASBA Account number (for Bidders other than RIBs bidding through the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of RIBs bidding through the UPI Mechanism.

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

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

All complaints, queries or comments received by Stock Exchange/ SEBI shall be forwarded to the Book Running Lead Manager, who shall respond to the same.

STATUTORY & PEER REVIEW AUDITOR

S. N. Gadiya & Co.

Chartered Accountant

241 Apollo Tower, 2 M G Road, Indore – 452 001

Tel: +91 731 4069030

Email: satya_mewar@rediffmail.com

Contact Person: Satya Narayan Gadiya

Firm Registration No: 02052C

Membership No: 071229

Peer Review Number: 009764

BOOK RUNNING LEAD MANAGER

Pantomath Capital Advisors Private Limited

406-408, Keshava Premises, Behind Family Court,

Bandra Kurla Complex, Bandra (East)

Mumbai 400 051, Maharashtra, India

Tel: +91 22 6194 6700

Email: ipo@pantomathgroup.com

Website: www.pantomathgroup.com

Contact Person: Unmesh Zagade

SEBI Registration No: INM000012110

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: +91 22 62638200
Fax: +91 22 62638299
Email: ipo@bigshareonline.com
Website: www.bigshareonline.com
Contact Person: Babu Raphael
SEBI Registration Number: INR000001385
Investor Grievance E-mail: investor@bigshareonline.com

LEGAL ADVISOR TO THE ISSUE

Zastriya (Attorneys and Legal Consultants)
810, 8th Floor, Embassy Centre Premises,
Next to Status Restaurant, Jamnalal Bajaj Marg,
Nariman Point, Mumbai – 400 021
Tel:- +91 99201 20018/ 9920239759
E-mail:- nishant.rana@zastriya.in, chinmayee.ghag@zastriya.in
Contact Person: Nishant Rana/Chinmayee Ghag Rana

BANKER TO THE COMPANY

Kotak Mahindra Bank Limited
5th floor, Metro Towers,
Near Vijay Nagar Square,
A.B. Road, Indore - 452 010
Tel: +91 0731 4782918
E-mail: vikas.rohera@kotak.com
Contact Person: Vikas Rohera
Website: www.kotak.com

PUBLIC ISSUE BANK/ BANKER TO THE ISSUE AND REFUND BANKER & SPONSOR BANK

[●]
Tel: [●]
Fax: [●]
Email: [●]
Contact Person: [●]
Website: [●]
SEBI Registration Number: [●]

SYNDICATE MEMBER

[●]*
Tel: [●]
Fax: [●]
E-mail: [●]
Contact Person: [●]
Website: [●]
SEBI Registration Number: [●]

**The Syndicate member shall be appointed prior to registering the Red Herring Prospectus with the ROC.*

DESIGNATED INTERMEDIARIES

Self-Certified Syndicate Banks

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above mentioned SEBI link.

Investors Banks or Issuer Bank for UPI

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provided on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above mentioned SEBI link.

Registered Brokers

Bidders can submit Bid cum Application Forms in the Issue using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI (www.sebi.gov.in) and updated from time to time. For details on Registered Brokers, please refer <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

Registrar to Issue and Share Transfer Agents

The list of the RTAs eligible to accept Bid cum Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept Bid cum Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time.

CREDIT RATING

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

IPO GRADING

Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, there is no requirement of appointing an IPO Grading agency.

APPRAISAL AND MONITORING AGENCY

As per regulation 262(1) of the SEBI ICDR Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 10,000 Lakhs. Since the Issue size is only of Rs. [●] lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue. Further, our Company has not appointed any appraisal agency for this Issue.

INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Pantomath Capital Advisors Private Limited is the sole Book Running Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Book Running Lead Manager is not applicable.

EXPERT OPINION

Except the report of the Peer Reviewed Auditor on statement of tax benefits and report on restated financials for the financial year ended March 31, 2019, 2018 and 2017 as included in this Draft Red Herring Prospectus, our Company has not obtained any expert opinion.

DEBENTURE TRUSTEE

Since this is not a debenture issue, appointment of debenture trustee is not required.

FILING OF OFFER DOCUMENT

The Draft Red Herring Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 246 of SEBI (ICDR), 2018. However, pursuant to sub regulation (5) of regulation 246, the copy of Draft Red Herring Prospectus shall also be furnished to the board in a soft copy. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Red Herring Prospectus and Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. A copy of the Red Herring Prospectus along with the documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered to the Registrar of Companies Madhya Pradesh, situated at 3rd Floor, 'A' Block, Sanjay Complex Jayendra Ganj, Gwalior.

BOOK BUILDING PROCESS

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

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

The process of Book Building under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.

For further details on the method and procedure for Bidding, please see section entitled “*Issue Procedure*” on page 244 of this Draft Red Herring Prospectus.

Illustration of Book Building and Price Discovery Process (Investors should note that this example is solely for illustrative purposes and is not specific to the Issue) Bidders can bid at any price within the price band. For instance, assume a price band of Rs.20.00 to Rs.24.00 per equity share, issue size of 3,000 equity

shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the bidding centres during the bidding period. The illustrative book below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

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

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of shares is the price at which the book cuts off, i.e., Rs. 22/- in the above example. The issuer, in consultation with the Book Running Lead Manager will finalize the issue price at or below such cut-off price, i.e., at or below Rs.22/-. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

1. Check eligibility for making a Bid (see section titled “*Issue Procedure*” on page 244. of this Draft Red Herring Prospectus);
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
3. Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
4. Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
5. Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form.

BID / ISSUE PROGRAMME

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

Event	Indicative Date
Bid/Issue Opening Date	[●]
Bid/Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Refunds / Unblocking of ASBA accounts	On or before [●]
Credit of Equity Shares to Demat Accounts of Allottees	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [●]

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange

are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bids and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period. On the Issue Closing Date, the Bids and any revision to the same shall be accepted between 10.00 a.m. and 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of bids received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days. Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

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

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

WITHDRAWAL OF THE ISSUE

Our Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice will be issued by our Company within two (2) Working Days of the Issue Closing Date, providing reasons for not proceeding with the Issue. 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.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs or Sponsor Bank to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh Draft Red Herring 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 with respect to the Equity Shares Issued through the Draft Red Herring Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

UNDERWRITER

Our Company and Book Running Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated [●] and pursuant to the terms of the underwriting agreement; obligations of the underwriters are subject to certain conditions specified therein. The underwriters have indicated their intention to underwrite following number of specified securities being offered through this Issue.

Name and Address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (Rupees in Lakhs)	% of the Total Issue size Underwritten
Pantomath Capital Advisors Private Limited	[●]	[●]	[●]

Name and Address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (Rupees Lakhs) in	% of the Total Issue size Underwritten
406-408, Keshava Premises Co-Op Soc. Ltd., Behind Family Court, Bandra Kurla Complex, Bandra East Mumbai 400051 Tel: +91 22 61946700 Fax: + 91 22 26598690 Email: ipo@pantomathgroup.com Contact Person: Unmesh Zagade SEBI Registration Number: INM000012110			
Total	[●]	[●]	[●]

**Includes [●] Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.*

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

CHANGES IN AUDITORS DURING LAST THREE FINANCIAL YEARS

There have been no change in the Auditors in last three financial years preceding the date of this Draft Red Herring Prospectus.

DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Book Running Lead Manager have entered into an agreement dated [●], with the following Market Maker, duly registered with National Stock Exchange of India Limited / BSE Limited to fulfil the obligations of Market Making.

Pantomath Stock Brokers Private Limited

108, Madhava Premises, Behind Family Court,
Bandra Kurla Complex, Bandra (East), Mumbai 400 051,
Maharashtra, India

Tel: +91 22 42577000

Fax: +91 22 2659 8690

Email: broking@pantomathgroup.com

Contact Person: Mahavir Toshniwal

SEBI Registration Number: INZ000068338

Pantomath Stock brokers Private Limited, registered with EMERGE platform of National Stock Exchange of India Limited will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, as amended from time to time and the circulars issued by National Stock Exchange of India Limited and SEBI in this matter from time to time.

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and the buy quote) shall not be more than 10% or as specified by the stock exchange from time

to time and the same shall be updated in Prospectus. 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 National Stock Exchange of India Limited 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 Issue their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of [•]/- the minimum lot size is [•] Equity Shares thus minimum depth of the quote shall be Rs. [•]/- until the same, would be revised by National Stock Exchange of India Limited.
4. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Issue Size (including the [•] Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduce to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
5. There shall be no exemption / threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, National Stock Exchange of India Limited may intimate the same to SEBI after due verification.
6. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
7. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Pantomath Stock Brokers Private Limited is acting as the sole Market Maker.
8. 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. The securities of the company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity share on the Stock Exchange.
9. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on EMERGE Platform of National Stock Exchange of India Limited and market maker will remain present as per the guidelines mentioned under National Stock Exchange of India Limited and SEBI circulars.
10. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to Rs. 250 crores, the applicable price bands for the first day shall be:
 - i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
 - ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.

Additionally, the trading shall take place in TTF segment for first 10 days from commencement of trading. The following spread will be applicable on the SME Exchange Platform.

No.	Market Price Slab (In Rs.)	Proposed spread (in % to sale price)
1	Upto 50	9
2	50 to 75	8
3	75 to 100	6
4	Above 100	5

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 shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Book Running Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

13. EMERGE platform of National Stock Exchange of India Limited 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. National Stock Exchange of India Limited can impose any other margins as deemed necessary from time-to-time.
14. National Stock Exchange of India Limited 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. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Market Makers during market making process has been made applicable, based on the issue size and as follows:

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

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)
Above Rs. 80 crore	12%	11%

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

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 Corporate records including but not limited to secretarial records such as Annual Returns filed with ROC prior to 1996, challans of certain Forms filed with ROC prior to 2006 are not traceable by our Company. Hence, this chapter is prepared based on the RoC search report, data provided by the Company and to the best of information available.

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

Amount (₹ in lakhs except share data)

Particulars		Aggregate Nominal value	Aggregate Value at Issue Price
A.	Authorised Share Capital		
	1,50,00,000 Equity Shares of face value of ₹ 10/- each	1500.00	
B.	Issued, Subscribed and Paid-up Share Capital before the Issue		
	76,67,400 Equity Shares of face value of ₹ 10/- each	766.74	
C.	Present Issue in terms of this Draft Red Herring Prospectus		
	Issue of upto 41,34,000 Equity Shares of face value of ₹ 10/- each at a price of ₹ [●]/- each per Equity Share	[●]	[●]
	Consisting of:		
	Reservation for Market Maker - Upto [●] equity shares of face value of ₹ 10/- each reserved as Market Maker portion at a price of ₹ [●]/- per Equity Share	[●]	[●]
	Net Issue to the Public – Upto [●] Equity Shares of face value of ₹ 10/- each at a price of ₹ [●]/- per Equity Share	[●]	[●]
D.	Issued, Subscribed And Paid-Up Share Capital After the Issue		
	Up to [●] Equity Shares of face value of ₹ 10/- each	[●]	
E.	Securities Premium Account		
	Before the Issue	Nil	
	After the Issue	[●]	

The Issue has been authorized by the Board of Directors of our Company vide a resolution passed at its meeting held on August 1, 2019 and by the shareholders of our Company vide special resolution passed at its Annual General meeting held on August 23, 2019 pursuant to Section 62(1)(c) of Companies Act, 2013.

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

NOTES TO THE CAPITAL STRUCTURE

1. Details of changes in Authorized Share Capital:

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

Particulars of change		Date of shareholders' Meeting	AGM / EGM
From	To		
The authorised share capital of our Company on incorporation comprised of ₹ 1,00,000 divided into 1,000 Equity Shares of ₹ 100/- each.		On Incorporation	-
Sub-division and increase of its authorised share capital from ₹ 1,00,000 consisting of 1,000 Equity Shares of ₹ 100/- each to ₹ 25,00,000 consisting of 2,50,000 Equity Shares of ₹ 10/- each.		October 12, 1995	EGM
₹ 25,00,000 consisting of 2,50,000 Equity Shares of ₹ 10/- each.	₹ 35,00,000 consisting of 3,50,000 Equity Shares of ₹ 10/- each.	May 20, 1996	EGM
₹ 35,00,000 consisting of 3,50,000 Equity Shares of ₹ 10/- each.	₹ 65,50,000 consisting of 6,55,000 Equity Shares of ₹ 10/- each.	November 03, 1998	EGM
₹ 65,50,000 consisting of 6,55,000 Equity Shares of ₹ 10/- each.	₹ 90,00,000 consisting of 9,00,000 Equity Shares of ₹ 10/- each.	February 02, 2002	EGM
Sub-division and increase of its authorised share capital from ₹ 90,00,000 consisting of 9,00,000 Equity Shares of ₹ 10/- each to ₹ 5,00,00,000 consisting of 5,00,00,000 Equity Shares of ₹ 1/- each.		March 27, 2008	EGM
Consolidation and increase of its authorised share capital from ₹ 5,00,00,000 consisting of 5,00,00,000 Equity Shares of ₹ 1/- each to ₹ 10,00,00,000 consisting of 1,00,00,000 Equity Shares of ₹ 10/- each.		March 26, 2018	EGM
₹ 10,00,00,000 consisting of 1,00,00,000 Equity Shares of ₹ 10/- each.	₹ 15,00,00,000 consisting of 1,50,00,000 Equity Shares of ₹ 10/- each.	August 23, 2019	AGM

2. History of Equity Share Capital of our Company:-

Date of allotment /fully paid up	No. of Equity Shares allotted	Face value (₹)	Issue price (₹)	Nature of consideration	Nature of allotment	Cumulative no. of Equity Shares	Cumulative Paid-up capital(₹)
On Incorporation	22	100	100	Cash	Subscription to the MOA ⁽¹⁾	22	2,200
January 8, 1990	29	100	100	Cash	Rights Issue ⁽²⁾	51	5,100
August 20, 1995	55	100	100	Cash	Further Allotment ⁽³⁾	106	10,600
Sub-division of equity shares of face value of ₹ 100 each into Equity Shares of face value ₹ 10 each pursuant to a resolution of our Shareholders dated October 12, 1995.							
May 20, 1996	2,99,000	10	10	Cash	Rights Issue ⁽⁴⁾	3,00,060	30,00,600
March 21, 1997	49,940	10	10	Cash	Rights Issue ⁽⁵⁾	3,50,000	35,00,000
December 10, 1998	3,03,000	10	10	Cash	Rights Issue ⁽⁶⁾	6,53,000	65,30,000
February 12, 2002	2,30,000	10	10	Cash	Rights Issue ⁽⁷⁾	8,83,000	88,30,000
Sub-division of equity shares of face value of ₹ 10 each into Equity Shares of face value ₹ 1 each pursuant to a resolution of our Shareholders dated March 27, 2008.							
March 28, 2008	10,00,000	1	4	Cash	Preferential Allotment ⁽⁸⁾	98,30,000	98,30,000
August 07, 2008	98,30,000	1	NA	Other than Cash	Bonus Issue ⁽⁹⁾	1,96,60,000	1,96,60,000

Date of allotment /fully paid up	No. of Equity Shares allotted	Face value (₹)	Issue price (₹)	Nature of consideration	Nature of allotment	Cumulative no. of Equity Shares	Cumulative Paid-up capital(₹)
Consolidation of equity shares of face value of ₹ 1 each into Equity Shares of face value ₹ 10 each pursuant to a resolution of our Shareholders dated March 26, 2018.							
August 29, 2019	57,01,400	10	NA	Other than Cash	Bonus Issue ⁽¹⁰⁾	76,67,400	7,66,74,000

- (1) Initial Subscribers to Memorandum of Association subscribed 22 Equity Shares of face value of ₹ 100/- each fully paid at par as per the details given below:

Sr. No.	Name of Subscriber	No. of Shares Subscribed
1.	Amarlal Navlani	11
2.	Ushadevi Navlani	11
	Total	22

- (2) Rights Issue of 29 Equity Shares of face value of ₹100/- each fully paid at par on January 8, 1990 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Amarlal Navlaini	29
	Total	29

- (3) Further allotment of 55 Equity Shares of face value of ₹100/- each fully paid at par on August 20, 1995 as per the details given below:

Sr. No	Name of Allottees	No. of Shares Allotted
1.	Jainesh Jain	11
2.	Kanaklata Jain	11
3.	Bharat Jain	11
4.	Varsha Jain	11
5.	Abhay Kumar Jain	11
	Total	55

- (4) Rights Issue of 2,99,000 Equity Shares of face value of ₹100/- each paid at par on date May 20, 1996 as per the details given below:

Sr. No	Name of Allottees	No. of Shares Allotted
1.	Jainesh Jain	81,000
2.	Kanaklata Jain	1,59,500
3.	Bharat Jain	7,500
4.	Varsha Jain	500
5.	Trilok Chand Jain	46,000
6.	Kalpana Jain	3,000
7.	Ratanlal Jain	1,500
	Total	2,99,000

- (5) Rights Issue of 49,940 Equity Shares of face value of ₹10 each paid at par on March 21, 1997 as per the details given below:

Sr. No	Name of Allottees	No. of Shares Allotted
1.	Varsha Jain	28,500
2.	Abhay Kumar Jain	1,440

Sr. No	Name of Allottees	No. of Shares Allotted
3.	Babulal Goyal	12,000
4.	Dilip Goyal	8,000
	Total	49,940

(6) Rights Issue of 3,03,000 Equity Shares of face value of ₹10 each paid at par on December 10, 1998 as per the details given below:

Sr. No	Name of Allottees	No. of Shares Allotted
1.	KCVK Water Proofing Pvt. Ltd.	2,10,000
2.	TK Securities & Investments Ltd.	93,000
	Total	3,03,000

(7) Rights Issue of 2,30,000 Equity Shares of face value of ₹10 each paid at par on February 12, 2002 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Trilok Chand Jain	2,30,000
	Total	2,30,000

(8) Preferential Allotment of 10,00,000 Equity Shares of Re. 1 each at a price of ₹ 4 per equity share fully paid on March 28, 2008 as per the details given below:

Sr. No	Name of Allottees	No. of Shares Allotted
1.	BSA Fincap Pvt. Ltd.	1,25,000
2.	Fair & Square Pvt. Ltd.	1,25,000
3.	Monisha Granite Ltd.	1,25,000
4.	URI Civil Engineering Pvt. Ltd.	1,25,000
5.	G.C. Technology Pvt. Ltd.	1,25,000
6.	Marras Industries Pvt. Ltd.	1,25,000
7.	Jigsha Consolidation Pvt. Ltd.	1,25,000
8.	Bharat Net Technology Ltd.	1,25,000
	Total	10,00,000

(9) Bonus Issue of 98,30,000 Equity Shares of face value of ₹ 1 each on August 07, 2008 in the ratio of 1 (One) Equity shares for every 1 (One) Equity share held by the existing shareholders as per the details given below:

Sr. No	Name of Allottees	No. of Shares Allotted
1.	Jainesh Jain	2,94,100
2.	Kanaklata Jain	38,64,200
3.	Trilok Chand Jain	38,61,000
4.	Bharat Jain	2,76,100
5.	Varsha Jain	12,51,100
6.	Rachana Jain	2,68,000
7.	Abhay Kumar Jain	15,500
	Total	98,30,000

(10) Bonus Issue of 57,01,400 Equity Shares of face value of ₹ 10 each on August 29, 2019 in the ratio of 2.9 (Two point Nine) Equity shares for every 1 (One) Equity share held by the existing shareholders as per the details given below:

Sr. No	Name of Allottees	No. of Shares Allotted
1.	Kanaklata Jain	40,96,656
2.	Varsha Jain	8,09,100
3.	Trilok Chand Jain	4,99,380
4.	Jainesh Jain	2,86,578
5.	Abhay Kumar Jain	8,990
6.	Univive Healthcare Private Limited	580
7.	Trilok Chand Sobhagmal Jain HUF	58
8.	Jainesh Kumar Trilok Chand Jain HUF	58
	Total	57,01,400

3. Except as mentioned below, our Company has not issued any Equity Shares for consideration other than cash.

Date of allotment	Number of equity shares allotted	Face Value (₹)	Issue Price (₹)	Reasons for allotment	Benefits accrued to our Company	Name of Allottees	No. of shares allotted
August 07, 2008	98,30,000	10	NA	Bonus Issue	Capitalisation of Reserves	Jainesh Jain	2,94,100
						Kanaklata Jain	38,64,200
						Trilok Chand Jain	38,61,000
						Bharat Jain	2,76,100
						Varsha Jain	12,51,100
						Rachana Jain	2,68,000
						Abhay Kumar Jain	15,500
August 29, 2019	57,01,400	10	NA	Bonus Issue	Capitalisation of Reserves	Kanaklata Jain	40,96,656
						Varsha Jain	8,09,100
						Trilok Chand Jain	4,99,380
						Jainesh Jain	2,86,578
						Abhay Kumar Jain	8,990
						Univive Healthcare Private Limited	580
						Trilok Chand Sobhagmal Jain HUF	58
						Jainesh Kumar Trilok Chand Jain HUF	58

4. As on the date of this Draft Red Herring Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under sections 391-394 of the Companies Act, 1956 or sections 230-240 of the Companies Act, 2013.
5. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.
6. Our Company has not revalued its assets since incorporation and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

7. Except as mentioned below, our Company has not issued any Equity Shares in the year preceding the date of this Draft Red Herring Prospectus except as given below, which is at a price lower than the Issue price:

Date of allotment/transfer	Number of equity shares	Face Value (₹)	Issue Price (₹)	Reasons for allotment	Name of Allottees	No. of shares allotted
August 29, 2019	57,01,400	10	NA	Bonus Issue	Kanaklata Jain	40,96,656
					Varsha Jain	8,09,100
					Trilok chand Jain	4,99,380
					Jainesh Jain	2,86,578
					Abhay Kumar Jain	8,990
					Univive Healthcare Private Limited	580
					Trilok Chand Sobhagmal Jain HUF	58
					Jainesh Kumar Trilok Chand Jain HUF	58

8. As on the date of this Draft Red Herring Prospectus, our Company does not have any preference Share Capital.

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

- i. Built up of Promoter's shareholdings:

As on the date of this Draft Red Herring Prospectus, our Promoters, Jainesh Jain and Kanaklata Jain hold 58,94,694 Equity Shares of our Company which is 76.88% of our Pre-Issue Paid-up Capital. None of the Equity shares held by our promoters are subject to any pledge.

1. Jainesh Jain

Date of Allotment / Transfer	No. of Equity Shares	Face value per share (₹)	Issue/ Acquisition / Transfer price (₹)*	Nature of consideration	Nature of transaction	% Pre-Issue shareholding**	% Post-Issue shareholding
August 20, 1995	11	100	100	Cash	Further Allotment	Negligible	[●]
Sub-division of equity shares of face value of ₹ 100 each into Equity Shares of face value ₹ 10 each pursuant to a resolution of our Shareholders dated October 12, 1995 and consequently 11 Equity shares of ₹ 100 each became 110 Equity shares of ₹ 10 each.							
May 20, 1996	81,000	10	10	Cash	Right Issue	1.06	[●]
Sub-division of equity shares of face value of ₹ 10 each into Equity Shares of face value ₹ 1 each pursuant to a resolution of our Shareholders dated March 27, 2008 and consequently 81,100 Equity shares of Rs. 10 each became 8,11,100 Equity shares of Rs. 1 each							
April 25, 2008	83,000	1	0.1	Cash	Transfer from Bharat Net Technology Limited	0.11	[●]

Date of Allotment / Transfer	No. of Equity Shares	Face value per share (₹)	Issue/ Acquisition / Transfer price (₹)*	Nature of consideration	Nature of transaction	% Pre-Issue shareholding**	% Post-Issue shareholding
	(6,00,000)	1	NA	No consideration	Transfer by way of gift to Varsha Jain	(0.78)	[●]
August 07, 2008	2,94,100	1	NA	Other than Cash	Bonus Issue	0.38	[●]
December 02, 2013	2,00,000	1	NA	No consideration	Transfer of shares by way of gift from Rachana Jain	0.26	[●]
	2,00,000	1	NA	No consideration	Transfer of shares by way of gift from Bharat Jain	0.26	[●]
Consolidation of equity shares of face value of ₹ 1 each into Equity Shares of face value ₹ 10 each pursuant to a resolution of our Shareholders dated March 26, 2018 and consequently 9,88,200 Equity shares of ₹ 1 each became 98,820 Equity shares of ₹ 10 each							
August 29, 2019	2,86,578	10	NA	Other than Cash	Bonus Issue	3.74	[●]
Total	3,85,398					5.03	[●]

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

**Face value is considered as Rs. 10 for all transactions

2. Kanaklata Jain

Date of Allotment / Transfer	No. of Equity Shares	Face value per share (₹)	Issue/ Acquisition / Transfer price (₹)*	Nature of consideration	Nature of transaction	% Pre-Issue shareholding**	% Post-offer shareholding
August 20, 1995	11	100	100	Cash	Further Allotment	Negligible	[●]
Sub-division of equity shares of face value of ₹ 100 each into Equity Shares of face value ₹ 10 each pursuant to a resolution of our Shareholders dated October 12, 1995 and consequently 11 Equity shares of ₹ 100 each became 110 Equity shares of ₹ 10 each							
February 28, 1996	110	10	10	Cash	Transfer of shares from Ushadevi Navlani	Negligible	[●]
May 20, 1996	1,59,500	10	10	Cash	Further Allotment	2.08	[●]

Date of Allotment/ Transfer	No. of Equity Shares	Face value per share (₹)	Issue/ Acquisition/ Transfer price (₹)*	Nature of consideration	Nature of transaction	% Pre-Issue shareholding**	% Post-offer shareholding
Sub-division of equity shares of face value of ₹ 10 each into Equity Shares of face value ₹ 1 each pursuant to a resolution of our Shareholders dated March 27, 2008 and consequently 1,59,720 Equity shares of Rs. 10 each became 15,97,200 Equity shares of ₹ 1 each							
April 25, 2008	42,000	1	0.10	Cash	Transfer of shares from G.C technology Private Ltd.	0.05	[●]
	125000	1	0.10	Cash	Transfer of shares from Marras Industries Private Ltd.	0.16	[●]
	21,00,000	1	NA	No consideration	Transfer of shares by way of gift from Trilok Chand Jain	2.74	[●]
August 07, 2008	38,64,200	1	NA	Other than Cash	Bonus Issue	5.04	[●]
October 12, 2012	60,00,000	1	NA	No consideration	Transfer of shares by way of Gift from Trilok Chand Jain	7.83	[●]
December 02, 2013	2,00,000	1	NA	No consideration	Transfer of shares by way of Gift from Rachana Jain	0.26	[●]
	2,00,000	1	NA	No consideration	Transfer of shares by way of Gift from Bharat Jain	0.26	[●]
Consolidation of equity shares of face value of ₹ 1 each into Equity Shares of face value ₹ 10 each pursuant to a resolution of our Shareholders dated March 26, 2018 and consequently 1,41,28,400 Equity shares of Rs. 1 each became 14,12,840 Equity shares of Rs. 10 each							
October , 2018	(200)	10	37	Cash	Transfer of shares to M/s Univive Health Care Private Ltd.	Negligible	[●]

Date of Allotment/ Transfer	No. of Equity Shares	Face value per share (₹)	Issue/ Acquisition/ Transfer price (₹)*	Nature of consideration	Nature of transaction	% Pre-Issue shareholding**	% Post-offer shareholding
August 29, 2019	40,96,656	10	NA	Other than Cash	Bonus Issue	53.43	[●]
Total	55,09,296					71.85	[●]

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

**Face value is considered as Rs. 10 for all transactions

ii. **Details of Promoters Contribution locked in for three years:**

Pursuant to Regulation 236 and 238 of SEBI ICDR Regulations, an aggregate of 20% of the post-Issue capital held by our Promoters shall be considered as Promoter's Contribution ("**Promoters Contribution**") and shall be locked-in for a period of three years from the date of allotment of equity shares issued pursuant to this Issue. The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Our Promoters have given written consent to include such number of Equity Shares held by them and subscribed by them as a part of Promoters' Contribution constituting 20 % of the post Issue Equity Shares of our Company and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution, for a period of three years from the date of allotment in the Issue.

Date of Allotment/ transfer made fully paid up	No. of Shares Allotted/ Transferred	Face Value	Issue Price	Nature of Allotment	% of Post Issue shareholding	Lock in period
Jainesh Jain (A)						
[●]	[●]	[●]	[●]	[●]	[●]	[●]
Kanaklata Jain (B)						
[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total (A+ B)	[●]	[●]	[●]	[●]	[●]	[●]

The above table will be updated in the Red Herring Prospectus proposed to be filed with the Registrar of Companies by the Company.

Our Promoters have confirmed to our Company and the BRLM that the acquisition of Equity Shares held by our Promoters has been financed from their internal accruals, and no loans or financial assistance from any banks or financial institutions have been availed of by them for this purpose

The Minimum Promoters' Contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI ICDR Regulations. The Equity Shares that are being locked in are not ineligible for computation of Promoters' Contribution in terms of Regulation 237 of the SEBI ICDR Regulations. In connection, we confirm the following:

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

- b. The minimum Promoters' Contribution does not include Equity Shares acquired during the one year preceding the date of this Draft Red Herring Prospectus at a price lower than the Issue Price;
- c. No equity shares have been issued to our promoters upon conversion of a partnership firm during the preceding one year at a price less than the Issue price.
- d. The Equity Shares held by the Promoters and offered for minimum Promoters' contribution are not subject to any pledge;
- e. All the Equity Shares of our Company held by the Promoters are in dematerialised form; and
- f. The Equity Shares offered for Promoter's Contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoter for inclusion of its subscription in the Promoter's Contribution subject to lock-in.

iii. Details of Share Capital locked in for one year

Pursuant to regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, other than the above Equity Shares that are locked in for three years, the entire pre-Issue Equity Share capital of our Company shall be locked-in for a period of one year from the date of allotment in the Public Issue.

iv. Other requirements in respect of lock-in:

Pursuant to Regulation 242 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoters, as specified above, can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such scheduled commercial banks or public financial institution, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan.

Provided that securities locked in as Promoters' Contribution for 3 years under Regulation 242(a) of the SEBI ICDR Regulations may be pledged only if, in addition to fulfilling the above requirement, the loan has been granted by such scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Issue.

The Equity Shares held by our Promoters which are locked-in may be transferred to and amongst the Promoter Group entities or to any new promoter or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Regulations, as applicable.

Further, pursuant to Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the equity shares which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, along with the equity shares proposed to be transferred, provided that lock-in on such equity shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under the SEBI (ICDR) Regulations has ended and in compliance with the Takeover Code, as applicable.

We further confirm that our Promoters' Contribution of 20 % of the post Issue Equity Share capital does not include any contribution from Alternative Investment Fund, foreign venture capital investors, scheduled commercial banks, public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India.

10. Except as mentioned below, none of the members of the Promoter group, Our Promoters, the Directors of our Company and their relatives have purchased or sold Equity shares during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

Date of Allotment/ transfer	Name of Allottee/ Transferee	Party Category	Number of Shares Allotted/ Transferred	Face Value	Issue Price/ Transfer Price	Reason of Allotment / Transfer
August 29, 2019	Kanaklata Jain	Promoter	40,96,656	10	NA	Bonus Issue
	Varsha Jain	Promoter Group	8,09,100			
	Trilok chand Jain	Promoter Group	4,99,380			
	Jainesh Jain	Promoter	2,86,578			
	Abhay Kumar Jain	Promoter Group	8,990			
	Univive Healthcare Private Ltd.	Promoter Group	580			
	Trilok Chand Sobhagmal Jain HUF	Promoter Group	58			
	Jainesh Kumar Trilok Chand Jain HUF	Promoter Group	58			

11. Our Shareholding Pattern

The table below presents the shareholding pattern of our company

i. Summary of shareholding pattern as on the date of this Draft Red Herring Prospectus:-

C a t e g o r y	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 SCR R, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*		No. of Shares Underlying Outstanding convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No. of Voting Rights	Total as a % of (A+B+C)			N o. (a)	As a % of total Shares held (b)	N o. (a)	As a % of total Shares held (b)	
I	II	II I	IV	V	VI	VII = IV + V+ VI	VIII	IX		X	XI = VII + X	XII		XIII		XIV
A	Promoter and Promoter Group	8	76,67,400	-	-	76,67,400	100	76,67,400	100	-	100	-	-	-	-	76,67,400
B	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	8	76,67,400	-	-	76,67,400	100	76,67,400	100	-	100	-	-	-	-	76,67,400

**As on the date of filing of this Draft Red Herring Prospectus 1 equity Share holds 1 vote*

*** All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to listing of Equity Shares on Emerge Platform of National stock Exchange of India Limited.*

Note: PAN of shareholders will be provided to the Stock Exchange by our Company prior to listing of its Equity Shares on the Stock Exchange.

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

12. **The details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category Promoter and Promoter Group are as under:**

Sr. No.	Name of Shareholder	Pre-issue		Post issue	
		No of Equity Shares	% of Pre-issue Capital	No of Equity Shares	% of Pre-offer Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
	Promoter				
1	Kanaklata Jain	55,09,296	71.85	55,09,296	[●]
2	Jainesh Jain	3,85,398	5.03	3,85,398	[●]
	Subtotal (A)	58,94,694	76.88	58,94,694	[●]
	Promoter Group				
3	Varsha Jain	10,88,100	14.19	10,88,100	[●]
4	Trilok Chand Jain	6,71,580	8.76	6,71,580	[●]
5	Abhay Kumar Jain	12,090	0.16	12,090	[●]
6	Jainesh Kumar Trilokchand Jain HUF	78	Negligible	78	[●]
7	Trilokchand Sobhagmal Jain HUF	78	Negligible	78	[●]
8	Univive Health Care Private Limited	780	Negligible	780	[●]
	Subtotal (B)	17,72,706	23.12	17,72,706	[●]
	Total (A+B)	76,67,400	100	76,67,400	[●]

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

Name of promoter	No. of Shares held	Average Cost of Acquisition (In ₹)
Jainesh Jain	3,85,398	2.13
Kanaklata Jain	55,09,296	0.29

14. **The list of the shareholders of the company holding 1% or more of the paid up share capital aggregating to 80% or more of the paid up share capital of the company:**

a. as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of the total Pre Issue Paid-up Share Capital
1.	Kanaklata Jain	55,09,296	71.85
2.	Varsha Jain	10,88,100	14.19
3.	Trilok Chand Jain	6,71,580	8.76
4.	Jainesh Jain	3,85,398	5.03
	Total	76,54,374	99.83

b. ten days prior to the date of the Draft Red Herring Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of the then existing Paid-up Share Capital
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1.	Kanaklata Jain	55,09,296	71.85
2.	Varsha Jain	10,88,100	14.19
3.	Trilok Chand Jain	6,71,580	8.76
4.	Jainesh Jain	3,85,398	5.03
	Total	76,54,374	99.83

c. One year prior to the date of the Draft Red Herring Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of the then existing Paid-up Share Capital
1.	Kanaklata Jain	14,12,840	71.86
2.	Varsha Jain	2,79,000	14.19
3.	Trilok Chand Jain	1,72,200	8.76
4.	Jainesh Jain	98,820	5.03
	Total	19,62,860	99.84

d. Two years prior to the date of the Draft Red Herring Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of the then existing Paid-up Share Capital
1.	Kanaklata Jain	14,12,840	71.86
2.	Varsha Jain	2,79,000	14.19
3.	Trilok Chand Jain	1,72,200	8.76
4.	Jainesh Jain	98,820	5.03
	Total	19,62,860	99.84

15. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed Issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
16. Neither the Book Running Lead Manager viz. Pantomath Capital Advisors Private Limited, nor their associates hold any Equity Shares of our Company as on the date of this Draft Red Herring Prospectus.
17. The BRLM, Syndicate Members and any persons related to the BRLM and Syndicate Members (other than Mutual Funds sponsored by entities related to the BRLM) cannot apply in the Issue under the Anchor Investor Portion. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the Net QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.
18. There are no Equity Shares against which depository receipts have been issued.
19. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares have been listed. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the Issue, by way of split / consolidation of the denomination of Equity Shares. However our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
20. None of the persons/entities comprising our Promoter Group, the directors of company which is our promoter or our Directors or their relatives or our Company have financed the purchase

by any other person of securities of our Company other than in the normal course of the business of any such entity/individual or otherwise during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

21. We shall ensure that transactions in Equity Shares by the Promoter and members of the Promoter Group, if any, between the date of filing the Draft Red Herring Prospectus and the Issue Closing Date shall be reported to the Stock Exchanges within 24 hours of such transactions being completed.
22. Our Company, our Directors and the Book Running Lead Manager have not entered into any buy back or standby or similar arrangements for the purchase of Equity Shares being Issued through the Issue from any person.
23. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest multiple of minimum allotment lot, while finalizing the Basis of Allotment. Consequently, the actual Allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-Issue paid up capital after the Issue would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares held by our Promoters and subject to lock- in shall be suitably increased; so as to ensure that a minimum of 20% of the post Issue paid-up capital is locked in.
24. As on date of this Draft Red Herring Prospectus there are no outstanding warrants, options or rights to convert debentures loans or other financial instruments into our Equity Shares.
25. All the Equity Shares of our Company are fully paid up as on the date of the Draft Red Herring Prospectus. Further, since the entire Issue price in respect of the Issue is payable on application, all the successful applicants will be issued fully paid-up equity shares and thus all shares Issued through this Issue shall be fully paid-up.
26. As per RBI regulations, OCBs are not allowed to participate in this Issue.
27. Our Company has not raised any bridge loans against the proceeds of the Issue.
28. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
29. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
30. An applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors
31. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue other than to the Eligible Employees who shall be eligible for Employee Discount.
32. Our Company has 8 shareholders as on the date of filing of this Draft Red Herring Prospectus
33. Our Promoters and the members of our Promoter Group will not participate in this Issue.
34. Our Company has not made any public issue since its incorporation.
35. For the details of transactions by our Company with our Promoter Group, Group Companies during the financial years ended March 31, 2019, 2018 and 2017 please refer to paragraph titled *Details of Related Parties Transactions* as restated in the chapter titled *Financial Statements* as restated on page 196 of this Draft Red Herring Prospectus.

36. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled *Our Management* beginning on page 171 of this Draft Red Herring Prospectus.

OBJECTS OF THE ISSUE

Requirement of Funds

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be Rs [●] lakhs (the “**Net Proceeds**”).

Our Company proposes to utilise the Net Proceeds from the Issue (“**Net Proceeds**”) towards the following objects:

1. To finance expansion of our existing Manufacturing Unit;
2. General corporate purposes.

(Collectively, herein referred to as the “**Objects**”)

The main objects 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.

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.

ISSUE PROCEEDS

The details of the proceeds of the Issue are set out in the following table:

(Rs in lakhs)

Particulars	Estimated Amount ¹
Gross Proceeds to be raised through the Issue	[●]
Less- Issue Related Expenses	[●]
Net Proceeds of the Issue (Net proceeds)	[●]

⁽¹⁾To be finalised on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC.

UTILISATION OF NET PROCEEDS

The Net Proceeds are proposed to be used in the manner set out in the following table:

Sr. No.	Particulars	Amount (Rs in lakhs)	Percentage of Gross Proceeds	Percentage of Net Proceeds
1	To finance expansion of our existing manufacturing unit;	1100.00	[●]%	[●]%
2	General corporate purposes ⁽¹⁾	[●]	[●]%	[●]%

⁽¹⁾To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

Proposed Schedule of Implementation and Deployment of Funds

As on the date of this Draft Red Herring Prospectus, our Company has deployed ₹ 28.93 lakhs towards the objects of the Issue as certified by SN Gadiya & Co. Chartered Accountants vide certificate dated August 09, 2019. We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(Rs. in lakhs)

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Estimated Utilisation of Net Proceeds (Financial Year 2019-20)	Estimated Utilisation of Net Proceeds (Financial Year 2020-21)
1	To finance expansion of our existing manufacturing unit	1100.00	348.03	751.97
2	General corporate purposes ⁽¹⁾	[●]	[●]	

⁽¹⁾To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

In the event of the estimated utilisation of the Net Proceeds in a scheduled Fiscal being not undertaken in its entirety, the remaining Net Proceeds shall be utilised in subsequent Fiscals, as may be decided by our Company, in accordance with applicable laws. Further, if the Net Proceeds are not completely utilised for the objects during the respective periods stated above due to factors such as (i) economic and business conditions; (ii) increased competition; (iii) timely completion of the Issue; (iv) market conditions outside the control of our Company; and (v) any other commercial considerations, the remaining Net Proceeds shall be utilised (in part or full) in subsequent periods as may be determined by our Company, in accordance with applicable laws.

The fund requirements mentioned above for purchase of plant and equipment are based on the internal management estimates of our Company and quotation received from third party. The fund requirements mentioned above except for expansion of our existing Manufacturing Unit are based on the internal management estimates of our Company, and have not been verified by the Book Running 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. 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 utilising our internal accruals or seeking debt financing.

Means of Finance

The fund requirements set out for the aforesaid objects of the Issue are proposed to be met entirely from the Net Proceeds, internal accruals and existing debt financing. Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals.

Sr. No.	Objects of the Issue	Amount Required	IPO Proceeds	Internal Accruals/ Net Worth/Unsecured Loans	Bank Finance
1	To finance expansion of our existing manufacturing unit;	1725.00	1100.00	125.00	500.00
2	General corporate purposes ⁽¹⁾	[●]	[●]	-	-

⁽¹⁾To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

DETAILS OF THE OBJECTS OF THE ISSUE

The details of the objects of the Issue are set out below.

1. To finance expansion of our existing manufacturing unit

We are engaged in the manufacturing of APIs and API intermediates for the domestic market as well as for exports to international markets. Our products are the principal ingredient used in making finished dosages in the form of capsules, tablets, liquid, or other forms of dosage, with the addition of other APIs or inactive ingredients. We have a manufacturing facility situated Plot No. 84 A & 84 B, Sector-E, Sanwer Road Industrial Area, Village Narval, Tehsil Indore - 452 015, Madhya Pradesh, India. We intend to expand our manufacturing facility and propose to utilize an aggregate of Rs. 1100.00 lakhs out of Net Proceeds towards expansion of our existing facility

Detailed Cost Estimate:

The total estimated cost of towards expansion of existing manufacturing facility is Rs. 1,725.00 lakhs. The total cost for expansion of existing Unit has been estimated by our management in accordance with our business plan approved by our Board of Directors pursuant to its meeting dated September 09, 2019 and based on Appraisal Report of M/s Irfan Ahmed & Associates dated September 09, 2019 and quotations received from third party suppliers.

The detailed breakdown of such estimated cost is set forth below.

Particulars	₹ in Lakhs
Building & Civil Works	348.03
Plant and Machinery	1376.97
Total	1725.00

Means of finance

The total estimated cost for expansion of manufacturing facility is proposed to be funded as follows

Particulars	₹ in Lakhs
Out of Issue Proceeds	1100.00
Internal Accruals	125.00
Bank Finance	500.00
Total	1725.00

Land:

Land for the proposed expansion of our manufacturing facility is at our adjoining premises situated at Plot no. 85A, B and 86B, Sector – E, Sanwer Road Industrial Area, Village Narval, Tehsil Indore - 452 015, Madhya Pradesh, India. It has already been acquired by the company on lease basis.

Plant and Machinery:

Details of Plant & Machinery are as follows:

Particulars	₹ in Lakhs
Process Equipments	638.85
Utilities	401.13
Piping & Fittings	53.10
Installation and Fabrication	41.30
Instrumentation	23.60
Electricals	29.50
Insulation and Painting	17.70
Safety & Fire Fighting Equipments	11.80
Quality Control Equipments	47.20
Effluent Treatment Plant	70.80

Particulars	₹ in Lakhs
Contingencies	42.00
Total	1376.97

The Company has received quotations for Process Equipments, Utilities and Effluent Treatment Plant from different suppliers for the expansion of the project and the remaining process will be set-up by M/s Irfan Ahmed & Associates as per the certificate dated September 09, 2019. The projected cost of Process Equipments, Utilities and Effluent Treatment Plant is ₹ 1110.78 Lakhs as per the list provided below:

Description	Qty.	Capacity	Supplier	Date of Quotation/Purchase order	Total Price
Utilities (A)					
Cooling Tower					
FRP Cooling Tower-Basin type	3	150 TR	Unimod Systems	July 27, 2019	6.55
Cooling Tower Sump	1	Litres	Local Fabrication	-	0.81
FRP Cooling Tower-Basin type	1	250TR	Unimod Systems	July 27, 2019	3.89
Cooling Tower Sump	1	Litres	Local Fabrication	-	0.89
Chilled Water and Brine Plants					
Chilled Water Plant	1	100 TR	Air Control & Chemical Engineering Co. Ltd.	July 30, 2018	57.06
Chilled Brine Plant	1	34 TR	Voltas Ltd.	June 11, 2019	30.92
Boiler					
Thermax Steam Boiler	1	3 Ton/hr	Unimod Systems	July 04, 2019	30.32
Bag Filter	1	50mg/NM3			10.86
Pressure Reduction Systems	1	-			6.02
Condensate Recovery Systems	1	-			4.18
Steam Flow Meter	1	-			2.80
Surface TDS Blowdown	1	-			3.75
Spark Arrestor	1	-			1.36
Hot water Systems	1	20 m3/hr	M/s Irfan Ahmed & Associates	September 09, 2019	9.09
Boiler Chimney	1	600mm x 30 mtr	Rakhoh Industries Pvt. Ltd.	June 10, 2019	8.26
Mechanical Dust Collector	1	-	Forbes Marshall Pvt. Ltd.	January 10, 2019	3.63
Boiler {Thermic Fluid Heater}					
Thermic Fluid Heater	1	200000 Kcal/Hr	Rakhoh Industries Private Limited	April 04, 2019	9.28
Ducting for Combustion, Air & Flue Gas	1				0.60
Storage Tank with Mounting	1	1000 litres			1.67

Description	Qty.	Capacity	Supplier	Date of Quotation/Purchase order	Total Price
Electrical Cabling	1	10 metres			0.95
M.S. Structure Material	1	1 job			1.01
Insulation, Ducting & Labour work	1	1 job			1.79
Erection & Commissioning	1	1 job			2.98
AHU					
HVAC/AHU System with Ventilation - Exhaust	5	5800 cfm	Ethos HVAC Systems Ltd.	February 03, 2018	21.04
D G Set					
400 KVA D G Sets with STD Panel	1	400 KVA	Sudhir Power Ltd.	September 02, 2019	26.61
Pumps					
C.I. Mono Block Pump 15 HP 2900 rpm {cooling water pump }	4	40 m³/hr/60mH	Dronkar & Bros.	July 10, 2019	2.35
C.I. Mono Block Pump 7.55 HP 2900 rpm Cooling Water Filter Pump	4	40 m³/hr/60mH			2.35
C.I. Mono Block Pump 7.5 HP Cooling Water Transfer Pumps for Chilled Water and Brine	4	40 m³/hr/30mH			1.55
C.I. Mono Block Pump 7.5 HP Cooling Water Transfer Pump Utility	4	45 m³/hr/60mH			2.35
C.I. Mono Block Pump 7.5 HP Primary Pumps for Chilled Water Plant	4	35 m³/hr/30mH			1.55
C.I. Mono Block Pump 7.5. HP Secondary Pumps for Chilled Water Plant	4	35 m³/hr/30mH			1.55
Centrifugal Pump 7.5 Primary Pumps for Chilled Brine Plant	2	40 m³/hr/35mH			2.03
Centrifugal Pumps 7.5 Hp for Chilled Brine Plant	2	40 m³/hr/35mH			2.03

Description	Qty.	Capacity	Supplier	Date of Quotation/Purchase order	Total Price
Hot Oil Transfer Pump Jackted {Mech. Seal type }	2	45 m3/hr/20mH			1.86
Tanks					
Chilled Brine Tank	1	10000 lit	Febchem Engineering Pvt. Ltd.	August 28, 2019	10.09
Solvent Storage Tank for Methanol & ammonia	1	30000 lit			5.84
R.O. Water Storage Tank	1	5000 Lit			3.72
Solvent Holding Tank { Plant }	5	5000 Lit			18.59
Filters					
Vacuum Nutsche Filter	1	190 Lit	Febchem Engineering Pvt. Ltd.	August 28, 2019	1.49
Filter Press 915mm x 915mm	1	754 Lit	Amar plastics	August 27, 2019	8.56
Sparkler Filter press 18"x12" deep	2	12 plate/18'	Precikot engineering	July 17, 2019	17.94
Nutsche Filter	2	250 kh/hr	Metalcraftech Technology company	July 18, 2019	12.98
Nitrogen Gas Plant					
Nitrogen gas Plant	1	5NM3/Hr	MVS Engineering Pvt. Ltd.	July 18, 2019	10.70
R O Plant					
R O Plant (ETP + Drinking)	2	3000 LPH	Unimod Systems	August 30, 2019	21.80
Softner Plant	2	24000 LPH			4.63
D.M. Plant 1000 LPH	1	1000 LPH			2.07
Other Equipments					
Flameproof Electric Hoist	2	2 Ton	Shreeram Enterprises	August 31, 2019	7.39
Reciprocating Air Compressor	2	40 CFM	Adarsh Air Solutions LLP		5.61
Conical Separator	1	3500 Lit	Febchem Engineering Pvt. Ltd.	August 28, 2019	3.29
High Vacuum Systems	1	1 TOR	OHM Engineers	August 10, 2019	2.53
Sub Total (A)					401.13
Process Equipments (B)					
Reactor					
Reactor – Non GMP Jackated	1	3500 Litres	Febchem Engineering Pvt. Ltd.	August 02, 2019	12.85
Reactor – Non GMP Jackated	5	3000 Litres			58.41

Description	Qty.	Capacity	Supplier	Date of Quotation/Purchase order	Total Price
Reactor – GMP Jackated	2	3000 Litres			27.82
Reactor –Non GMP Jackated	1	3500 Litres			13.28
Reactor – NGMP Jackated	2	2000 Litres		August 28, 2019	19.12
Glass Line Reactor	1	1600 Litres	GMM Pfaudler	July 20, 2019	14.93
Glass Line Reactor	1	2000 Litres			15.34
Centrifuge					
Basket Centrifuge - GMP	2	48 Inch	Metalcraftech Technology company	July 18. 2019	43.19
Agitated Nutsche Filter - GMP	2	2000 Lit	Febchem Engineering Works	August 13, 2018	56.64
Basket Centrifuge NGMP	4	48 inch	Metalcraftech Technology company	July 18. 2019	79.30
Dryers					
Air Tray Dryer	1	48 Trays	Febchem Engineering Pvt. Ltd.	August 28, 2019	5.42
Vacuum Tray Dryer	2	96 Trays			18.69
Rotary Cone Vacuum Dryer GMP	2	2000 Litres	Metalcraftech Technology company	July 18, 2019	53.57
Micronizer { Air jet Mill 12 inch} with Motor + Compressor	1	100 kg./HR	Microfine Pharma Private Ltd.	September 05, 2019	18.88
Solvent Recovery System					
Receiver with MS Jacket	2	1000 Lit	Febchem Engineering Pvt. Ltd.	August 28, 2019	6.16
Receiver with MS Jacket (Vessel)	5	500 Lit		August 28, 2019	9.03
Receiver Non Jacket	9	250 Lit		August 28, 2019	8.60
Vessels/Tanks					
M.L. Charging Tanks	6	1000 Litres	Febchem Engineering Pvt. Ltd.	July 10, 2018	8.92
Solvent/ML Receivers (Holding Tanks)	10	3000 Litres			22.30
Solvent/ML Receivers	5	500 Litres			7.43
Reflux Drums	10	500 lit		August 28, 2019	18.05
RCVD Receiver	2	500 lit	Febchem Engineering Pvt. Ltd.	August 28, 2019	3.61

Description	Qty.	Capacity	Supplier	Date of Quotation/Purchase order	Total Price
Vacuum Tray Dryer Receiver	1	500 lit	Febchem Engineering Pvt. Ltd.		1.81
Condensers/Reboiler/Heat Exchangers					
Spiral Heat Exchanger	25	250 kg/hr	Alfa Laval	January 23, 2019	57.53
Pumps					
S.S. 316 Pump 5 HP Charging Pumps	4	6 m3/hr/25mt	Dronkar & Bros.	July 10, 2019	3.82
S.S. 316 Pump 5 HP ML pumps Centrifugal Pump	2	35 m3/hr/20mt			1.70
S.S. 316 Pump 7.5 HPML pumps Centrifugal Pump	8	35 m3/hr/40mt			8.12
C.I. Mono Block Pump 3 HP Process Pump	12	5m3/hr			1.43
Air Operated Difaphorm Pump {AOD pump}	2	7.5m3/hr			1.77
Air Scrubber Systems	2		The Sun F.R.P. Works	August 25, 2019	8.50
GMP equipment					
Multi Mill { Dry milling }	2	250 kg/hr	Metalcraft Technology company	July 18, 2019	3.30
Sifter 48" GMP	1	100 kg/hr			2.71
Double Cone Blender	1	2000 Litres	Febchem Engineering Works	August 28, 2019	9.03
Weighing Machine (Intrinsically safe)	3	300 kg	Digitronics Weighing Services	August 01, 2018	0.65
Weighing Machine (Intrinsically safe)	2	75 kg			0.39
Weighing Machine (Intrinsically safe)	4	60 kg			0.66
Pulverizer {wet milling}	1	200 kg/hr	Pharma Mech. Machinerics	September 14, 2018	9.39
Electric Transformer 500 KVA	1	500 KVA	Mamta Transformers Pvt. Ltd.	September 18, 2018	6.50
Sub Total (B)					638.85
ETP (C)					
Stripper system, ATFD System	1	30 KLD	Ketav Consultant	March 28, 2019	70.80
Sub Total (C)					70.80
Total (A+B+C)					1110.78

The quotations in relation to the above equipment are exclusive of cost of freight and insurance. Such additional cost shall be funded from the Net Proceeds proposed to be utilized towards the purchase of capital equipment or through internal accruals, if required. No second-hand machinery is proposed to be purchased out of the Net Proceeds of the Issue.

We have not entered into any definitive agreements with the suppliers and there can be no assurance that the same suppliers would be engaged to eventually supply the plant & equipment at the same costs. The quantity of the plant & equipment to be purchased is based on the estimates of our management. Our Company shall have the flexibility to deploy the plant & equipment according to our business requirement of our Company, which are dynamic, which may evolve with the passage of time and based on the estimates of our management.

Our Promoters, Directors, Key Management Personnel or Group Entities have no interest in the proposed procurements, as stated above.

Building & Civil Works

Cost of construction for expansion of manufacturing facility has been projected at ₹ 348.03 lakhs. The said cost include civil works for construction of production plant to install 13 reactors of SS-316 and GLR, utility building, boiler house and solvent recovery area. In addition to above roads will also be constructed for easy access to the plant and utility area. Estimated cost of Building and Civil works as per the Certificate dated September 09, 2019 from M/s Irfan Ahmed & Associates are as follows:

Rs. In Lakhs

Sr. No.	Particulars	Amount
1.	Production Plant (13.23M x 18.23M) G+2	143.73
2.	Utility Area (18.80M x 10.00M)	38.60
3.	Water Tank (10M*10M)	29.07
4.	Drainage, MEE Plant, Roads and ETP	48.59
5.	Electricity, Sanitary, HVAC	34.95
6.	Taxes & other charges	53.09
	Total Cost	348.03

Proposed Schedule of Implementation

Activities	Commencement	Estimated Completion
Acquisition of Land	Already acquired	-
Development of land	Already commenced	-
Civil Works	November'19	July/August'20
Plant & Machinery		
Placement orders	June'20	July'20
Delivery/Installation at Site	August'20	December'20
Trial run	December'20	December'20
Commercial Operation	January'21	-

Power:

The power requirement for the project is 124KVA which will be supplied by MP State Electricity Board through 33 KVA high tension line.

Water:

Water requirement for our project will be will be sourced from MPAKVN supplies, own bore well and third party by tankers. The quantity and quality of water available at unit locations is adequate for fulfilment of water requirements.

2. General Corporate Purposes

The Net Proceeds will be first utilized towards the Objects as mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- a) strategic initiatives
- b) on-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above.

ISSUE RELATED EXPENSES

The total expenses of the Issue are estimated to be approximately Rs. [●] lakhs. The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as follows.

Expenses	Expenses (Rs. in lakhs) ¹	Expenses (% of total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Fees payable to the Book Running Lead Manager (including Underwriting commission)	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to the Legal Advisors to the Issue	[●]	[●]	[●]
Fees payable to the Registrar to the Issue	[●]	[●]	[●]
Fees payable to the to the Regulators including stock exchanges	[●]	[●]	[●]
Printing and distribution of Issue stationary	[●]	[●]	[●]
Brokerage and selling commission payable to Syndicate ²	[●]	[●]	[●]
Brokerage and selling commission payable to Registered Brokers ³	[●]	[●]	[●]
Processing fees to SCSBs for ASBA Applications procured by the members of the Syndicate or Registered Brokers and submitted with the SCSBs ⁴	[●]	[●]	[●]
Processing fees to Issuer banks for UPI Mechanism w.r.t application Forms procured by the members	[●]	[●]	[●]

Expenses	Expenses (Rs. in lakhs) ¹	Expenses (% of total Issue expenses)	Expenses (% of Gross Issue Proceeds)
of the Syndicate, Registered Brokers, RTAs or the CDPs and submitted to them ⁵			
Others (bankers to the Issue, auditor's fees etc.)	[●]	[●]	[●]
Total estimated Issue expenses	[●]	[●]	[●]

As on the date of the Prospectus our company has incurred Rs. [●] Lakhs towards issue expenses out of internal accruals.

¹Will be incorporated at the time of filing of the Prospectus.

²Selling commission payable to the members of the Syndicate, CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:

Portion for RIIs [●]% ^ (exclusive of GST)

Portion for NIIs [●]% ^ (exclusive of GST)

^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price)

Further, the Members of Syndicate, RTAs and CDPs will be entitled to bidding charges of Rs. [●] (plus applicable GST) per valid ASBA Form. The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges payable to the relevant RTA/CDP.

³Registered Brokers, will be entitled to a commission of Rs. [●] (plus GST) per Bid cum Application Form, on valid Bids, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the bid has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.

⁴SCSBs would be entitled to a processing fee of Rs. [●] (plus GST) for processing the Bid cum Application Forms procured by the members of the Syndicate, Registered Brokers, RTAs or the CDPs and submitted to SCSBs.

⁵Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of Rs.. [●] (plus GST) for processing the Bid cum Application Forms procured by the members of the Syndicate, Registered Brokers, RTAs or the CDPs and submitted to them.

BRIDGE FINANCING

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

INTERIM USE OF FUNDS

Pending utilization of the Net 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 Net 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

We have not appointed a monitoring agency to monitor the utilisation of the proceeds of the Issue since the Issue size is less than Rs.10,000 lakhs. Our Board will monitor the utilization of the proceeds of the Issue and will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Fiscal subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32(5) of the SEBI Listing Regulations, our Company shall disclose to the Audit Committee the uses and applications of the Net Proceeds. Our Company shall prepare an annual statement of funds utilized for purposes other than those stated in this Draft Red Herring Prospectus, certified by the statutory auditors of our Company and place it before the Audit Committee, as required under applicable laws. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. Furthermore, in accordance with the Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the utilization of the proceeds of the Issue from the objects of the Issue as stated above; and (ii) details of category wise variations in the utilization of the proceeds from the Issue from the objects of the Issue as states above. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee.

VARIATION IN OBJECTS

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

OTHER CONFIRMATIONS

No part of the Net Proceeds will be paid by us to the Promoters and Promoter Group, the Directors, associates or Key Managerial Personnel or Group Companies, except in the normal course of business and in compliance with the applicable laws.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the Book Running Lead Manager on the basis of an assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of qualitative and quantitative factors as described below. The face value of the Equity Shares is Rs. 10/- each and the Issue Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Investors should also refer to the sections titled “*Risk Factors*” and “*Financial Information*” beginning on pages 29, 196 and chapter titled “*Our Business*”, beginning on page 123 of this Draft Red Herring Prospectus, to have an informed view before making an investment decision. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

QUALITATIVE FACTORS

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

- Experienced Management Team;
- Multipurpose Manufacturing Plant;
- Quality Control and Quality Assurance;
- Scalable Business Model.

For further details, refer to heading “*Our Competitive Strengths*” under chapter titled “*Our Business*” beginning on page 123 of this Draft Red Herring Prospectus.

QUANTITATIVE FACTORS

The information presented below is based on the restated financial statements of the Company for the Financial Years ended March 31, 2019, 2018 and 2017 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. Basic and Diluted Earnings per Share (EPS) as per Accounting Standard 20 as adjusted for changes in capital:

Year Ended	Basic & Diluted EPS(Rs.)	Weight
March 31, 2019	4.20	3
March 31, 2018	1.95	2
March 31, 2017	0.31	1
Weighted Average		2.80

Notes:

1. Basic Earnings per share = Net profit/ (loss) after tax, as restated attributable to equity shareholders /Weighted average number of equity shares outstanding during the year.
2. Diluted Earnings per share = Net profit/ (loss) after tax, as restated attributable to equity shareholders / Weighted average number of potential equity shares outstanding during the year.
3. Weighted average EPS = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x Weight) for each fiscal] / [Total of weights].
4. Weighted average number of Equity Shares are the number of Equity Shares outstanding at the beginning of the year adjusted by the number of Equity Shares issued during the year multiplied by the time weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.
5. Basic EPS and Diluted EPS calculations are in accordance with Accounting Standard 20 (AS-20) 'Earnings per Share', notified under Section 133 of Companies Act, 2013 read together along with paragraph 7 of the Companies (Accounts) Rules, 2014

6. On August 29, 2019, our Company allotted 57,01,400 Equity Shares to the existing shareholders as fully paid bonus shares. For calculating the Weighted Average Number of Equity Shares for EPS above, these bonus shares have been considered in all the periods reported.
7. The face value of each Equity Share is ₹ 10.

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

Particulars	P/E Ratio on Cap Price	P/E on Floor Price
P/E ratio based on Basic EPS for FY 2018-19	[●]	[●]
P/E ratio based on Weighted Average EPS	[●]	[●]
*Industry P/E		
Highest		14.52
Lowest		8.17
Average		11.61

**Industry Composite comprises of Aarti Drugs Limited, Granules India Limited, and Jagsonpal Pharmaceuticals Limited.*

3. Return on Net worth (RoNW):

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

Year Ended	RoNW (%)	Weight
March 31, 2019	32.24	3
March 31, 2018	22.05	2
March 31, 2017	4.45	1
Weighted Average (%)		24.21

Notes:

1. *Return on Net Worth (%) = Net Profit after tax attributable to equity shareholders, as restated / Net worth as restated as at year end.*
2. *Weighted average RoNW = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.*
3. *Net worth is aggregate value of the paid-up share capital of the Company and Reserve and Surplus, excluding revaluation reserves if any, as per Restated Financial Information.*

4. Net Asset Value (NAV) per share of Face Value of Rs 10 each:

As per Restated Financial Statement

Particulars	Amount (in Rs.)
Net Asset Value per Equity Share as of March 31, 2019	13.03
Net Asset Value per Equity Share after the Issue- At Cap Price	[●]
Net Asset Value per Equity Share after the Issue- At Floor Price	[●]
Issue Price per equity share	[●]

Notes:

1. Issue Price per Equity Share will be determined on conclusion of the Book Building Process.
2. Net Asset Value per Equity Share = Restated net worth, attributable to equity holders of the Company at the end of the year. / Number of equity shares outstanding as at the end of year.
3. Net worth is aggregate value of the paid-up share capital of the Company and Reserve and Surplus (excluding revaluation reserves, if any) and attributable to equity holders of the Company, if any, as per Restated Financial Information.

4. On August 29, 2019, our Company allotted 57,01,400 Equity Shares to the existing shareholders as fully paid bonus shares. For calculating the NAV above, these bonus shares have been considered in all the periods reported.

5. Comparison with listed industry peers:

Companies	CMP*	Basic EPS	Diluted EPS	PE Ratio	RON W (%)	NAV (per share)	Face Value (per share)	Total Income (Rs. in Lakhs)
Unidrug Innovative Pharma Technologies Limited	[●]	4.20	4.20	[●]	32.24	13.03	10.00	3,102.25
Peer Group**								
Aarti Drugs Limited	454.50	37.42	37.42	12.15	16.83	219.90	10.00	1,46,053.05
Granules India Limited	92.45	6.37	6.35	14.52	11.37	55.98	1.00	2,12,692.17
Jagsonpal Pharmaceuticals Limited	22.50	2.75	2.75	8.17	6.91	39.88	5.00	16,825.46

* CMP for our Company is considered as Issue Price

**Source: www.nseindia.com.

Notes:

1. Considering the nature and size of business of the Company, the peers are not strictly comparable. However same have been included for broad comparison.
2. The figures for Unidrug Innovative Pharma Technologies Limited are based on the restated financial statements for the year ended March 31, 2019.
3. The figures for the peer group are based on the standalone audited results for the year ended March 31, 2019.
4. Current Market Price (CMP) is the closing price of peer group scripts as on September 06, 2019. However, CMP for our Company is the Final Price that will be determined on completion of the Book Building Process and will be updated at the time of filing Final Prospectus with the ROC.
5. NAV is computed as the closing net worth divided by the closing outstanding number of paid up equity shares. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserve less miscellaneous expenditure not written off).
6. P/E Ratio has been computed based on the closing market price of peer group's equity shares on September 06, 2019 as divided by the Basic EPS provided.
7. RoNW is computed as net profit after tax divided by closing net worth. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserve less miscellaneous expenditure not written off).

Unidrug Innovative Pharma Technologies Limited is a Book Built issue and price band for the same shall be published 2 working days before opening of the issue in English and Hindi National newspapers and one regional newspaper with wide circulation.

For further details see section titled "Risk Factors" beginning on page 29 of this Draft Red Herring Prospectus and the financials of the Company including profitability and return ratios, as set out in the section titled "Financial Statements" beginning on page 196 of this Draft Red Herring Prospectus for a more informed view.

STATEMENT OF POSSIBLE TAX BENEFITS

To,
The Board of Directors,
Unidrug Innovative Pharma Technologies Ltd
Plot No. 84 A, Sector E
Sanwer Road, Indore (MP) - 452015

Dear Sir/Ma'am,

Sub: Proposed Initial Public Offering (IPO) of the Equity Shares of Unidrug Innovative Pharma Technologies Limited, (the "Company"), pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI Regulations") and the Companies Act, 2013, as amended (the "Act").

1. This report is issued in accordance with the terms of our engagement letter dated 29th August 2019.
2. The accompanying Statement of Special Tax Benefits available to the Company and its Shareholders (hereinafter referred to as "the Statement") under the Income Tax Act, 1961 (read with Income Tax Rules, Circulars and Notifications) as amended by the Finance Act, 2018 (hereinafter referred to as the "Income Tax Regulations") and under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax Rules, Circulars and Notifications) has been prepared by the management of the Company in connection with the proposed Offer, which we have initialled for identification purposes.

Management's responsibility

3. The preparation of this Statement as of the date of our report which is to be included in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus (the "Offer Document") is the responsibility of the management of the Company and has been approved by the Board of Directors of the Company at its meeting held on 29th August 2019, for the purpose set out in paragraph 12 below. The management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditor's responsibility

4. Our work has been carried out in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' (Revised 2016) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India.
5. Pursuant to the SEBI Regulations and the Act, it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the special tax benefits available as of 31st March 2019 to the Company and the shareholders of the Company, in accordance with the Income Tax Regulations as at the date of our report.
6. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI Regulations in connection with the Offering.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, 'Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements,' issued by the ICAI

Inherent Limitations

8. We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information
9. Several of the benefits mentioned in the accompanying statement are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which may or may not be fulfilled. The benefits discussed in the accompanying statement are not exhaustive
10. The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue

Further, we give no assurance that the income tax authorities/ other indirect tax authorities/courts will concur with our views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

Opinion

11. In our opinion, the Statement prepared by the Company presents, in all material respects, the special tax benefits available as of 31st March, 2019, to the Company and the shareholders of the Company, in accordance with the Income Tax Regulations & other Indirect Tax Regulations as at the date of our report.

Considering the matter referred to in paragraph 5 above, we are unable to express any opinion or provide any assurance as to whether:

- (i) The Company or its shareholders will continue to obtain the benefits as per the Statement in future; or
- (ii) The conditions prescribed for availing the benefits as per the Statement have been/ would be met with.

Restriction on Use

12. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the Offer Document, prepared in connection with the Offer to be filed by the Company with the NSE.

For S N Gadiya & Company
Chartered Accountants
FRN : 02052C

Sd/-

CA S N Gadiya
Proprietor
Membership No.: 071229
Indore, 31st August 2019

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS

A) Direct Taxation:

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

a. Special tax benefits to the company

There are no special tax benefits to the company.

b. Special tax benefit to the shareholder

There are no special tax benefits to the shareholders of the company.

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to 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 or intentional misconduct. We will not be liable to any other person in respect of this statement.

B) Indirect Taxation:

- 1) **Benefits available under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax Rules, Circulars and Notifications) (together referred to as “GST Regime “or “GST Law”)**

1.1. Special tax benefits to the company

There are no special tax benefits to the company.

1.2. Special tax benefit to the shareholder

There are no special tax benefits to the shareholders of the company.

**For S N Gadiya & Company
Chartered Accountants
FRN : 02052C**

Sd/-

**CA S N Gadiya
Proprietor
Membership No.: 071229
Indore, 31st August 2019**

SECTION V – ABOUT THE COMPANY

OUR INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Draft Red Herring Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 29 and 196 respectively of this Draft Red Herring Prospectus before deciding to invest in our Equity Shares.

INDIAN PHARMACEUTICAL MARKET:

Indian pharmaceutical sector industry supplies over 50 per cent of global demand for various vaccines, 40 per cent of generic demand in the US and 25 per cent of all medicine in UK. India contributes the second largest share of pharmaceutical and biotech workforce in the world. The pharmaceutical sector in India was valued at US\$ 33 billion in 2017. India’s domestic pharmaceutical market turnover reached Rs 129,015 crore (US\$ 18.12 billion) in 2018, growing 9.4 per cent year-on-year (in Rs) from Rs 116,389 crore (US\$ 17.87 billion) in 2017. In February 2019, the Indian pharmaceutical market grew by 10 per cent year-on-year.

With 71 per cent market share, generic drugs form the largest segment of the Indian pharmaceutical sector. Based on moving annual turnover, Anti-Infective (13.6%), Cardiac (12.4%), Gastro Intestinal (11.5%) had the biggest market share in the Indian pharma market in 2018.

Indian drugs are exported to more than 200 countries in the world, with the US as the key market. Generic drugs account for 20 per cent of global exports in terms of volume, making the country the largest provider of generic medicines globally and expected to expand even further in coming years. India’s pharmaceutical exports stood at US\$ 19.14 billion in FY19 and US\$ 3.1 billion in FY20 (up to June 2019). In FY18, 31 per cent of these exports from India went to the US.

The ‘Pharma Vision 2020’ by the government’s Department of Pharmaceuticals aims to make India a major hub for end-to-end drug discovery. The sector has received cumulative FDI worth US\$ 15.98 billion between April 2000 and March 2019. Under Budget 2019-20, allocation to the Ministry of Health and Family Welfare increased by 3.1 per cent to Rs 63,298 crore (US\$ 9.06 billion). Indian pharmaceutical sector is expected to grow at a CAGR of 15 per cent in the near future and medical device market expected to grow \$50 billion by 2025.

(Source: Pharmaceuticals June 2019 - India Brand Equity Foundation - www.ibef.org)

APPROACH TO PHARMACEUTICAL PRODUCTS MANUFACTURING INDUSTRY:

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

Pharmaceutical Sector comprises various industries, which in turn, have numerous sub-classes or products. One such major industry in the overall Pharmaceutical Sector is “Active Pharmaceutical Ingredients (API) Products Manufacturing Industry”, which in turn encompasses various segments such as Antiprotozoal, Anxiolytic, Alcohol Deterrent, Anti-Haemorrhagic, Non-Steroidal, Anti-Inflammatory, Antihypertensive, Anti-Spasmodic, Expectorant; Muscle Relaxant Ant-helminthic and Anti-Infective.

Thus, the micro analysis of such segments Formulations should be analysed in the light of “Pharmaceutical Products Manufacturing Industry” at large. An appropriate view on API Products Manufacturing Industry then, calls for the overall economic outlook, performance and expectations of

Pharmaceutical Sector, position of Pharmaceutical Products Manufacturing Industry and micro analysis thereof.

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

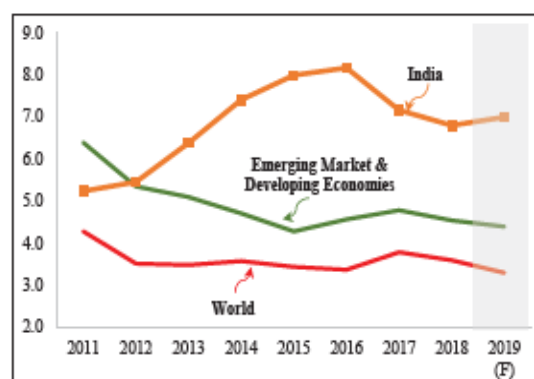
GLOBAL ECONOMIC OVERVIEW:

Table 0.1 : Key Indicators					
Data categories	Unit	2015-16	2016-17	2017-18	2018-19
GDP and Related Indicators					
GDP at current market prices	₹ Crore	13771874	15362386	17095005	19010164 ^a
GDP at constant market prices	₹ Crore	11369493	12298327	13179857	14077586 ^a
Growth Rate	(per cent)	8.0	8.2	7.2	6.8 ^a
GVA at constant basic prices	₹ Crore	10491870	11318972	12104165	12906936 ^a
Growth Rate	(per cent)	8.0	7.9	6.9	6.6 ^a
Gross Savings	% of GDP	31.1	30.3	30.5	NA
Gross Capital Formation	% of GDP	32.1	30.9	32.3	NA
Per Capita Net National Income (at current prices)	₹	94797	104659	114958	126406 ^a
Production					
Food grains	Million tonnes	251.5	275.1	285.0	283.4 ^b
Index of Industrial Production (growth)	(per cent)	3.3	4.6	4.4	3.6
Electricity Generation (growth)	(per cent)	5.6	4.7	4.0	3.5
Prices					
WPI inflation (average)	(per cent)	-3.7	1.7	3.0	4.3
CPI (Combined) inflation (average)	(per cent)	4.9	4.5	3.6	3.4
External Sector					
Merchandise export growth (in US\$ term)	(per cent)	-15.5	5.2	10.0	8.8
Merchandise import growth (in US\$ term)	(per cent)	-15.0	0.9	21.1	10.4
Current Account Balance	% of GDP	-1.1	-0.6	-1.9	-2.6 ^c
Foreign Exchange Reserves (end of year)	US\$ billion	360.2	370.0	424.5	412.9
Average Exchange Rate	₹ /US\$	65.5	67.1	64.5	69.9
Money and Credit					
Broad Money (M3) growth	(per cent)	10.1	10.1	9.2	10.5
Scheduled Commercial Bank Credit (Growth Rate)	(per cent)	10.9	8.2	10.0	13.3
Fiscal Indicators (Centre)					
Gross Fiscal Deficit	% of GDP	3.9	3.5	3.5	3.4 ^d
Revenue Deficit	% of GDP	2.5	2.1	2.6	2.3 ^d
Primary Deficit	% of GDP	0.7	0.4	0.4	0.3 ^d

Notes:
 NA: Not Available,
 a: Provisional estimates, b: Third advance estimate,
 c: (April-December) 2018, d: Provisional Actual

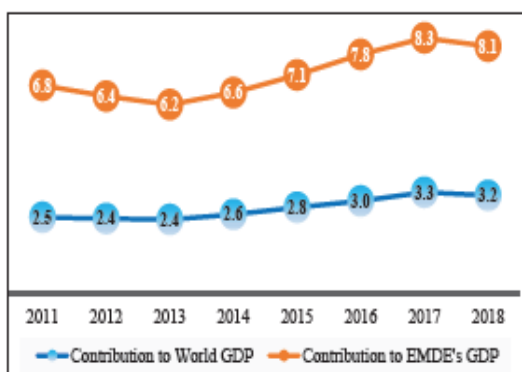
India continues to remain the fastest growing major economy in the world in 2018-19, despite a slight moderation in its GDP growth from 7.2 per cent in 2017-18 to 6.8 per cent in 2018-19. On the other hand, the world output growth declined from 3.8 per cent in 2017 to 3.6 per cent in 2018. The slowdown in the world economy and Emerging Market and Developing Economies (EMDEs) in 2018 followed the escalation of US China trade tensions, tighter credit policies in China, and financial tightening alongside the normalization of monetary policy in the larger advanced economies. In 2019, when the world economy and EMDEs are projected to slow down by 0.3 and 0.1 percentage points respectively, growth of Indian economy is forecast to increase (Figure 1). Crucially, India forms part of 30 per cent of the global economy, whose growth is not projected to decline in 2019 (World Economic Outlook (WEO), April 2019 of IMF).

Figure 1: Growth rate of real GDP (per cent)



Data source: WEO, April 2019 database, CSO for India, 2019 projection for India is survey's projection.

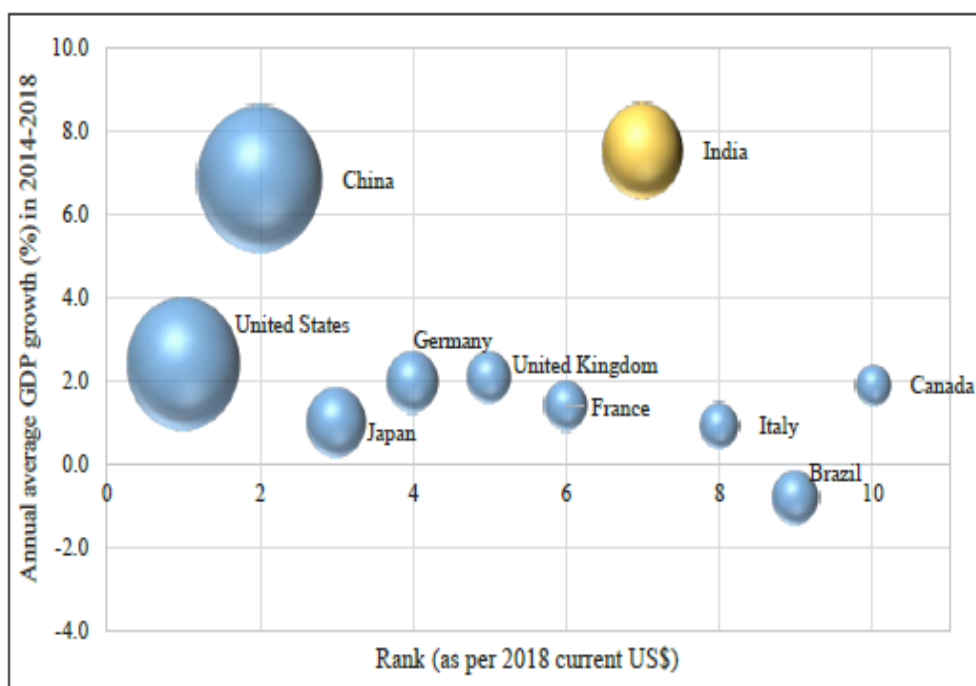
Figure 3: India's share in GDP of EMDEs and World (per cent)



Data source: WEO, April 2019 database

India is the seventh largest economy in terms of Gross Domestic Product (GDP) in current US\$ and has emerged as the fastest growing major economy (Figure 2). The average growth rate of India was not only higher than China's during 2014-15 to 2017-18 but much higher than that of other top major economies (measured in terms of GDP at current US\$ terms) as well. With Purchasing Power Parity (PPP) adjustments, India's GDP at current international dollar, ranks third in the world (as shown by the size of circles in Figure 2).

Figure 2: Global comparison among top ten economies



Data source: WEO, April 2019 database

Note: For France and Italy GDP of the year 2018 is the estimated figure of International Monetary Fund. Size of circle represents GDP (PPP) at current international dollar terms.

The contribution of the Indian economy to the GDP of EMDEs and world economy has increased consistently over the years (Figure 3). In a span of less than a decade, India's contribution to EMDEs GDP has increased by around 1.3 percentage points and to the world economy by around 0.7 percentage points. India's share in GDP of EMDEs stood at 8 per cent in 2018. As per the WEO, April 2019 of

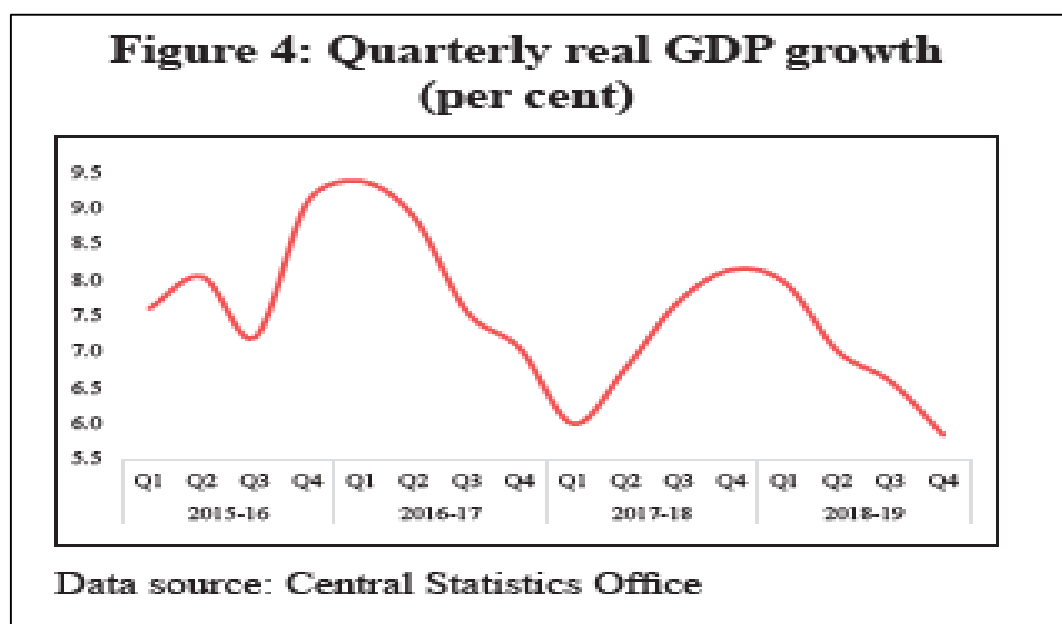
IMF, going forward, the growth of world economy will be bolstered mainly by growth in China and India and their increasing weights in world income. In EMDEs group, India and China are the major drivers of growth. The global economy in particular the global growth powerhouse, China is rebalancing, leading to an increasing role for India. Hence, India's contribution has become much more valuable to the global economy.

(Source: Economic Survey 2018-19 Volume 2 www.indiabudget.nic.in)

INDIAN ECONOMIC OVERVIEW:

India's growth of real GDP has been high with average growth of 7.5 per cent in the last 5 years (2014-15 onwards). The Indian economy grew at 6.8 per cent in 2018-19, thereby experiencing some moderation in growth when compared to the previous year. This moderation in growth momentum is mainly on account of lower growth in 'Agriculture & allied', 'Trade, hotel, transport, storage, communication and services related to broadcasting' and 'Public administration & defence' sectors. Acreage in 2018-19 for the rabi crop was marginally lower than last year, which affected agricultural performance. The contraction in food prices may have contributed to inducing farmers to produce less. On the demand side, lower growth of GDP in 2018-19 was accounted for, by a decline in growth of government final consumption, change in stocks and contraction in valuables.

When we examine the growth pattern within the various quarters of 2018-19, we note that the moderation in real GDP growth has been experienced in all quarters of 2018-19 (Figure 4) with the fourth quarter (Q4) registering a growth of 5.8 per cent. The base effect arising from a high growth of 8.1 per cent in the Q4 of 2017-18 also led to this lower growth in Q4 of 2018-19. In this quarter, election related uncertainty may have also contributed to growth moderation.



There was contraction in 'Agriculture & allied' sector in the last quarter of 2018-19, though growth was reasonable in the previous three quarters. Growth of industry sector also experienced tempering in successive quarters of 2018-19 mostly on account of growth deceleration in the manufacturing sector (Table 1). This is also seen in Index of Industrial Production (IIP) of manufacturing sector, which grew at 0.3 per cent in Q4 of 2018-19, as compared to 7.5 per cent in the same quarter of previous year. Manufacturing sector was affected by the slowdown in the auto sector as well, where the production growth for all categories, apart from commercial vehicles declined in 2018-19, as compared to 2017-18. Sales growth decelerated in many segments of the automobile sector, including passenger vehicles, tractor sales, three and two wheeler sales (Figure 5). Stress in Non-Banking Financial Companies (NBFC) sector also contributed to the slow down by adversely impacting consumption finance (Figure 6). Despite the moderation of manufacturing growth within 2018-19, overall growth in the year was higher than in 2017-18, due to a high growth of 12.1 per cent in first quarter of 2018-19.

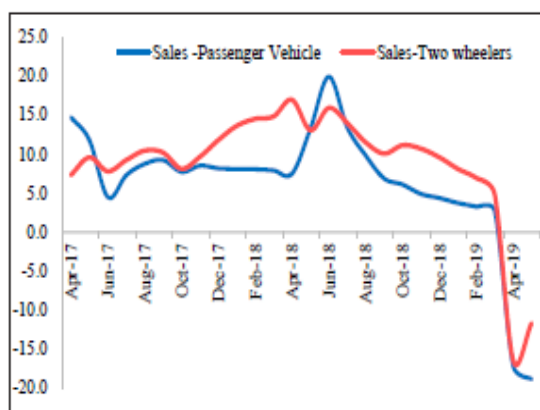
Table 1: Quarter-wise growth in Gross Value Added (per cent)

	2017-18				2018-19			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Agriculture and allied	4.2	4.5	4.6	6.5	5.1	4.9	2.8	-0.1
Industry	0.8	6.9	8.0	8.1	9.8	6.7	7.0	4.2
(of which) Manufacturing	-1.7	7.1	8.6	9.5	12.1	6.9	6.4	3.1
Services	9.4	6.8	8.0	8.2	7.1	7.3	7.2	8.4
GVA at basic prices	5.9	6.6	7.3	7.9	7.7	6.9	6.3	5.7
GDP at market prices	6.0	6.8	7.7	8.1	8.0	7.0	6.6	5.8

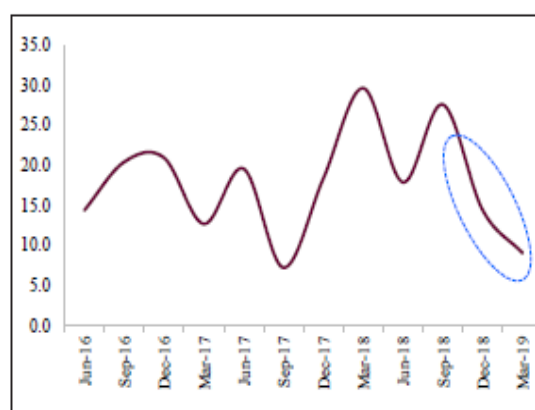
Source: Central Statistics Office

From the demand side, the decline in GDP growth during 2018-19 arose primarily from deceleration in private final consumption in the final two quarters. This could have been due to low farm incomes in rural areas arising from low food prices and also due to the stress in NBFCs, which affected its lending. The Q4 of 2018-19 also saw growth of exports declining.

Although growth rate of real GDP was high during the last few years, the coterminous decline in the nominal GDP growth from 2010-11 onwards, points towards a secular decline in inflation. As seen in Figure 7, the gap between nominal and real growth rate has reduced significantly. Thus, the GDP deflator, which is a weighted average of Consumer Prices Index (CPI) and Wholesale Price Index (WPI), became smaller. This is reflected in a consistent decline in CPI inflation during the last few years (Figure 8). In 2013-14, CPI headline inflation was close to double digits, but gradually declined thereafter to be within the target of 4 (+/- 2) per cent. Headline CPI declined to 3.4 per cent in 2018-19 from 3.6 per cent in 2017-18.

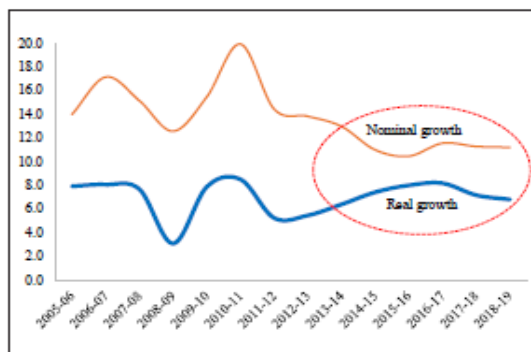
Figure 5: Change in cumulative auto sales (per cent)

Data source: Society of Indian Automobile Manufacturers
Note: Growth rates (Year on Year) are for cumulative sales from April to respective months of the year.

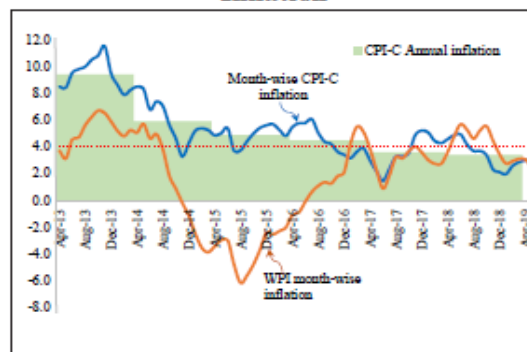
Figure 6: Growth of loans and advances of NBFCs (per cent)

Data source: Reserve Bank of India
Note: Data on loans and advances pertains to deposit taking NBFCs and Non-Deposit taking systematic important NBFCs including Government companies; Data from March 2018 onwards are provisional.

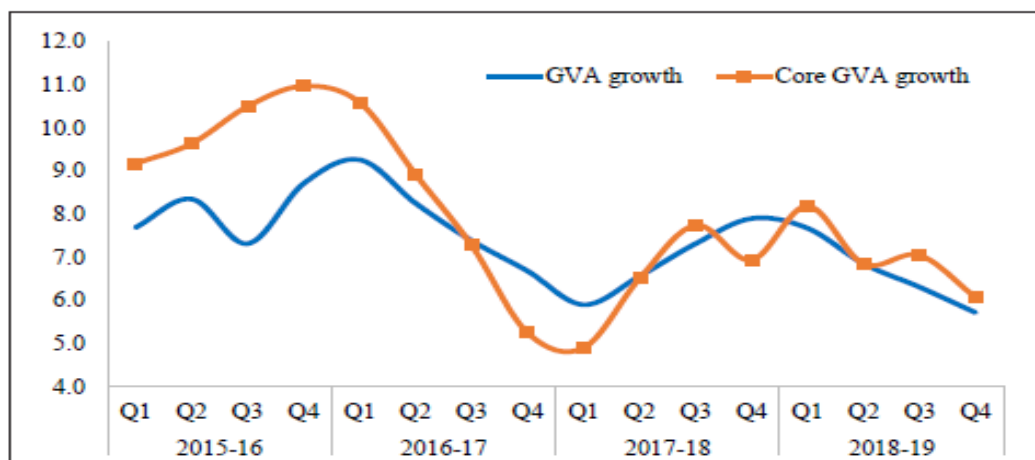
Headline WPI inflation stood at 4.3 per cent in 2018-19, higher as compared to 3.0 per cent in 2017-18. The increase in WPI inflation was broad based, which saw increase in inflation of all the groups except food in 2018-19. Increase in WPI led to marginal pick-up in GDP deflator from 3.8 per cent in 2017-18 to 4.1 per cent in 2018-19.

Figure 7: Growth in GDP (per cent)

Data source: Central Statistics Office

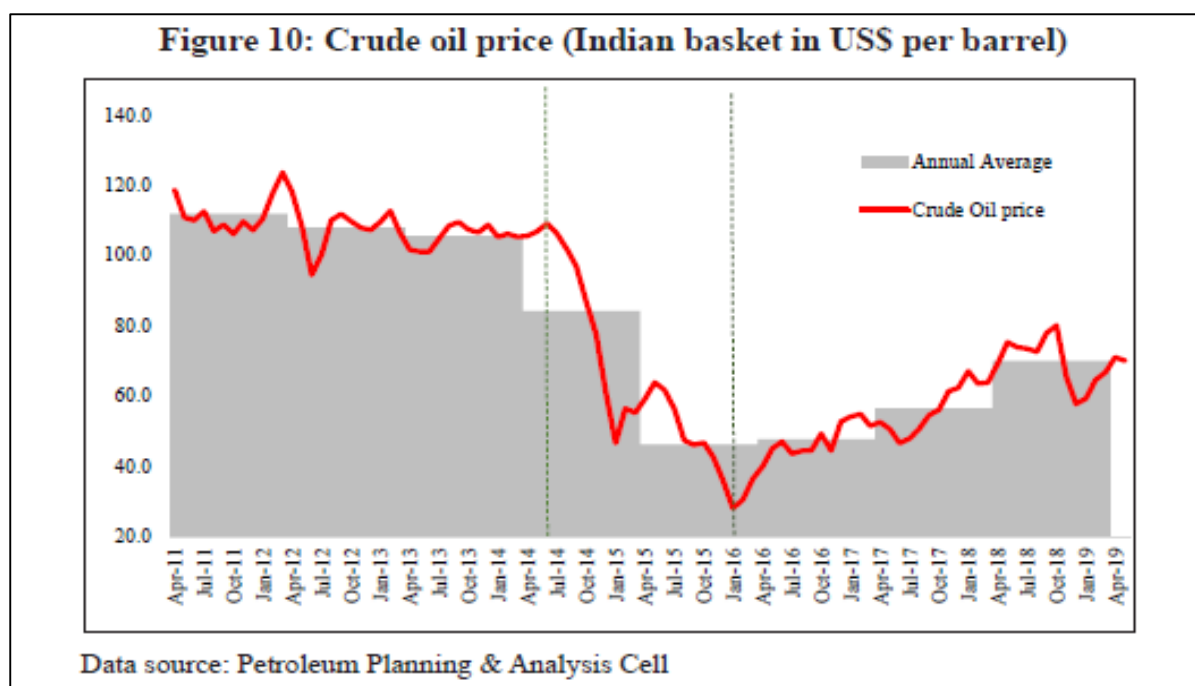
Figure 8: Significant moderation in InflationData source: Central Statistics Office
Note: CPI-C stands for CPI-Combined.

Core Gross Value Added (GVA) (measured as GVA except 'Agriculture & allied' activities, and 'Public administration & defence') shows higher growth than that of overall GVA in 2018-19. Core GVA growth picked up from 6.5 per cent in 2017-18 to 7.0 per cent in 2018-19, whereas GVA growth slowed down marginally from 6.9 per cent in 2017-18 to 6.6 per cent in 2018-19. For all quarters of 2018-19, the core GVA growth was higher than overall GVA growth, as 'Agriculture & allied' and 'Public administration & defence' experienced the largest decline in growth rates relative to other sectors. But in Q4 of 2018-19, the growth of core GVA also decelerated by 1 percentage point over previous quarter, largely on account of lower growth in manufacturing sector (Figure 9).

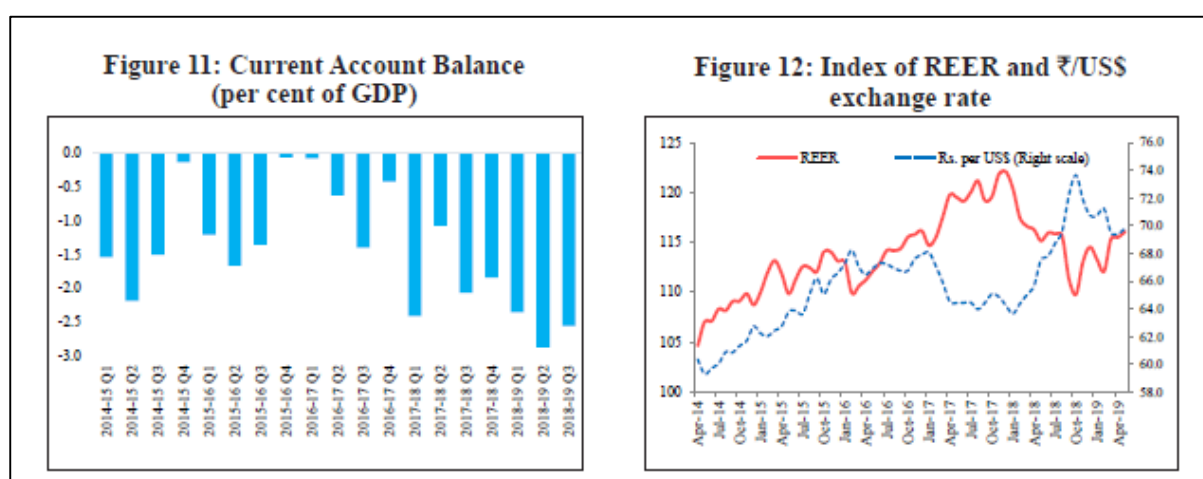
Figure 9: Real GVA and real core GVA growth (per cent)

Data source: Central Statistics Office

On the external front, current account deficit (CAD) increased from 1.9 per cent of GDP in 2017-18 to 2.6 per cent in April-December 2018 (refer Figure 11). The widening of the CAD was largely on account of a higher trade deficit driven by rise in international crude oil prices (Indian basket). The trade deficit increased from US\$ 162.1 billion in 2017-18 to US\$ 184 billion in 2018-19. Nominal growth of both merchandise exports and imports declined in US dollar terms in 2018-19, as compared to 2017-18. However, the decline was much sharper in merchandise imports, which reduced from 21.1 per cent to 10.4 per cent. Growth of merchandise imports declined as oil price driven increase in growth of oil imports was more than offset by contraction in value of gold imports and lower growth in the value of non-oil non-gold imports. The crude oil prices, however, showed movements in both the directions within the year. As the year commenced, crude prices increased and reached above 80 US\$/bbl. in October 2018. Thereafter, it started to decline before increasing again after December 2018 (Figure 10). Overall the oil prices were substantially higher in 2018-19, as compared to previous year.



Growth in service exports and imports in US dollar terms declined to 5.5 per cent and 6.7 per cent respectively in 2018-19, from 18.8 per cent and 22.6 per cent respectively in 2017-18. Rupee depreciated by 7.8 per cent vis-à-vis US dollar, 7.7 per cent against Yen, and 6.8 per cent against Euro and Pound Sterling in 2018-19. During 2018-19, Indian rupee traded with a depreciating trend against US dollar and touched 74.4 per US dollar in October 2018 before recovering to 69.2 per US dollar at end March 2019. Rupee depreciated in the first half of the year due to concerns related to widening of CAD owing to rising crude oil prices coupled with tighter financial conditions in US caused by increase in Federal Funds rate by the US Federal Reserve. However, rupee performed better than some of the other major emerging market currencies, such as, Argentine Peso, Turkish Lira, Brazilian Real, and Russian Ruble, which depreciated more than 10 per cent vis-à-vis US dollar. Not only in terms of bilateral exchange rate with US dollar, rupee also depreciated when measured as trade based weighted exchange rates in 2018-19. Nominal Effective Exchange Rate (NEER) (36 currency trade based bilateral weights) of rupee depreciated by 5.6 per cent in 2018-19. Correspondingly, Real Effective Exchange Rate (REER) also depreciated by 4.8 per cent in 2018-19 (Figure 12).



The foreign exchange reserves in nominal terms (including the valuation effects) decreased by US\$ 11.6 billion at end-March 2019 over end-March 2018. Within the year, foreign exchange reserves were declining until October 2018 due to RBI's intervention to modulate exchange rate volatility. India's foreign exchange reserves continue to be comfortably placed at US\$ 422.2 billion, as on 14th June 2019 (Figure 13).

Figure 13: Foreign Exchange Reserve (US\$ billion)

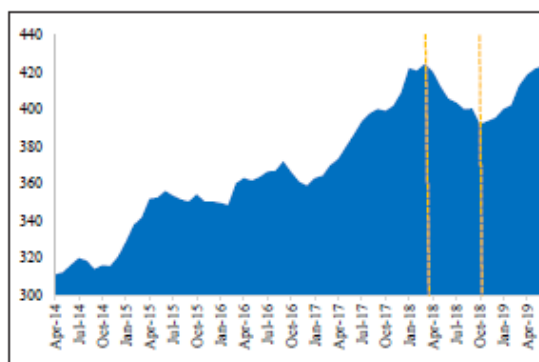
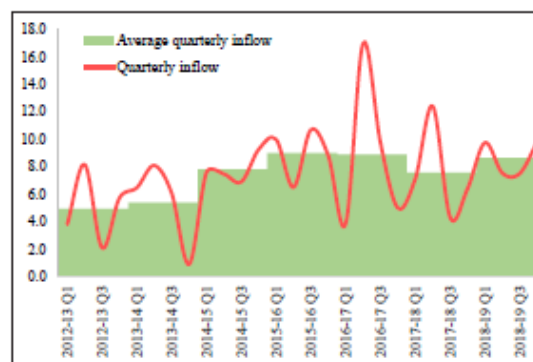


Figure 14: Net FDI inflows (US\$ billion)



Data source: Reserve Bank of India (from figure 11 to 14)

Note: FDI inflow for the fourth quarter of 2018-19 (in Figure 14) is calculated on the basis of information published in the RBI Bulletin – May 2019.

Net Foreign Direct Investment (FDI) inflows grew by 14.2 per cent in 2018-19. Among the top sectors attracting FDI equity inflows, services, automobiles and chemicals were the major categories. By and large, FDI inflows have been growing at a high rate since 2015-16 (Figure 14). This pick-up indicates the improvement in confidence of the foreign investors in the Indian economy.

(Source: Economic Survey 2018-19 Volume 2 www.indiabudget.nic.in)

OUTLOOK FOR 2019-20:

The year 2019-20 has delivered a huge political mandate for the government, which augurs well for the prospects of high economic growth. Real GDP growth for the year 2019-20 is projected at 7 per cent, reflecting a recovery in the economy after a deceleration in the growth momentum throughout 2018-19. The growth in the economy is expected to pick up in 2019-20 as macroeconomic conditions continue to be stable while structural reforms initiated in the previous few years are continuing on course. However, both downside risks and upside prospects persist in 2019-20. Investment rate, which was declining from 2011-12 seems to have bottomed out. It is expected to pick up further in the year 2019-20 on the back of higher credit growth and improved demand. The political stability in the country should push the animal spirits of the economy, while the higher capacity utilization and uptick in business expectations should increase investment activity in 2019-20. Accommodative monetary policy in the beginning of the year should help in decreasing real lending rates, more so, if the transmission mechanism improves. There are signs of continuing resolution of stressed assets in the banking sector as reflected in decline in NPA to gross advances ratio as on December 2018, which should push the capex cycle.

The performance of consumption will be crucial in deciding the growth path of economy. Rural wages growth which was declining seems to have bottomed out and has started to increase since mid-2018. Further growth in rural wages should help spur rural demand. Pick up in food prices should help in increasing rural incomes and spending capacity and hence rural consumption demand. PM-Kisan scheme was announced by the government to provide an income support of `6000/- per year to small and marginal farmer families having combined land holding/ownership of upto 2 hectares. The condition of minimum land holding has been subsequently removed to benefit all farmers. This cash transfer scheme will also increase the rural incomes.

The oil prices increased in 2018-19 by around 14 \$/bbl. However, oil prices are expected to decline in 2019-20 from the current level (based on the oil futures price for 2019-20). This should provide a positive push to consumption. However, downside risks to consumption remain. The extent of recovery in farm sector and farm prices will decide the push to rural consumption, which is also dependent on the situation of monsoon. The meteorological department has predicted that the rainfall over the country as a whole is likely to be near normal this year. This should lead to improvement in agriculture sector

growth. However, according to IMD, some regions are expected to receive less than normal rains. This could prove to be detrimental for crop production in certain affected areas. If the impact of stress in the NBFC sector spills over to this year as well, it may lead to lower credit offtake from NBFCs, which may dampen growth in consumption spending.

Prospects of export growth remain weak for 2019-20 if status quo is maintained. However, reorientation of export policies to target countries/markets based on our own relative comparative advantage and the importing country's exposure to Indian goods can foster export performance. Under status quo, the outlook for the global economy is bleak in 2019, with most of the countries projected to slow down. The major threat facing the world economy is the increase in trade tensions between U.S. and China, which could lead to large disruptions in global value chains, outcome of Brexit and downside risk to China's growth. The lower global growth and the increased uncertainty about trade tensions may negatively affect export demand, including that of India's, which in turn will further lower GDP growth rates of several countries. On balance, the prospects of the economy should improve with growth of the economy expected to be 7 per cent in 2019-20.

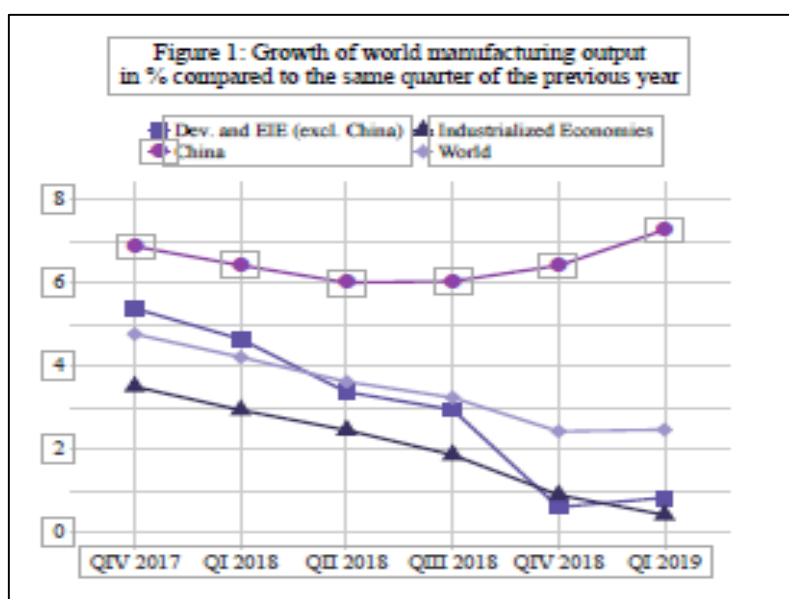
(Source: Economic Survey 2018-19 Volume 2 www.indiabudget.nic.in)

GLOBAL MANUFACTURING SECTOR:

World Manufacturing Growth

UNIDO has already reported on the global slowdown of world manufacturing production that has been evident since 2018 in previous publications, including the International Year-book of Industrial Statistics 2019⁶. This development is primarily attributed to emerging trade and tariff barriers involving the United States and China as well as the European Union. As these economic regions account for more than a half of global manufacturing production, the increasing tensions have exposed the markets to a significant amount of uncertainty, which in turn has affected investment and future growth. Amid subdued economic activity, UNIDO's recent growth estimates indicate a continuation of the trend of modest growth rates. In the first quarter of 2019, global manufacturing output rose by 2.5 per cent compared to the same period of the previous year.

More disaggregated figures reveal a consistent decline in the year-on-year manufacturing output growth rates of industrialized economies since the fourth quarter of 2017. Compared to the same period of the previous year, manufacturing growth in these countries rose by merely 0.4 per cent in the first quarter of 2019, dropping from 3.5 per cent at the end of 2017.



Compared to the same period of the previous year, the manufacturing output of industrialized economies in Europe grew by 0.3 per cent in the first quarter of 2019 after a brief drop of 0.6 per cent in the fourth quarter of 2018. North America recorded a year-on-year growth rate of 1.8 per cent

following a growth rate of 2.5 per cent in the fourth quarter of 2018. Data on the first quarter of 2019 indicated that the manufacturing sector of industrialized economies in East Asia performed below those of Europe and North America. The respective year-on-year growth rate declined for the first time in 11 consecutive quarters. More specifically, manufacturing output contracted by an estimated 1.1 per cent in the first quarter of 2019 compared to the same period of the previous year. Negative growth rates were observed in Japan (-1.1 per cent), the Republic of Korea (-1.7 per cent), Taiwan, Republic of China (-3.7 per cent) and Singapore (-0.3 per cent). Although further tariff increases were temporarily suspended during the first quarter of 2019, U.S.-China trade policy uncertainty remained high. The data of the previous quarters, however, already indicated some stabilization of Chinese manufacturing output growth at slightly above 6.0 per cent. Compared to the same period of the previous year, the respective seasonally adjusted year-on-year growth estimates for the first quarter of 2019 indicated in-creasing momentum. Experts attribute the 7.3 per cent growth, among others, to government measures such as infrastructure investments as well as fiscal and monetary stimulus. At the same time, experts have warned that the expansion in production is linked to increased stock-piling due to the possibility of escalating trade tensions, including higher tariffs. Data on the growth performance of developing and emerging industrial economies (excluding China) did not indicate much recovery following the abrupt plunge in the fourth quarter of 2018. The respective year-on-year out-put growth of 0.8 per cent in the first quarter of 2019 showed a slight tendency of stabilization at a low growth rate. Several major manufacturers of this country group struggled with the generally difficult economic conditions. Amid volatility and some turbulence in a number of Latin American economies, the region's estimated manufacturing output dropped by 1.2 per cent. In addition to Argentina's continued recession, manufacturing output in Brazil, the region's largest manufacturer, recorded another year-on-year decline of 1.6 per cent, after experiencing a drop of 2.7 per cent in the fourth quarter of 2018.

Estimates based on limited data indicate a positive growth rate of Africa's manufacturing output of around 0.7 per cent. Developing economies in Asia and the Pacific recorded a year-on-year growth rate of 2.5 per cent in the first quarter of 2019. Among other developing economies, Turkey's manufacturing output fell by 5.2 per cent in the first quarter of 2019, compared to the same period of the previous year.

In summary, the overall year-on-year expansion of manufacturing production seemed to temporarily stabilize in the first quarter of 2019. Increased risks and uncertainties may, however, cause a further slowdown of manufacturing out-put.

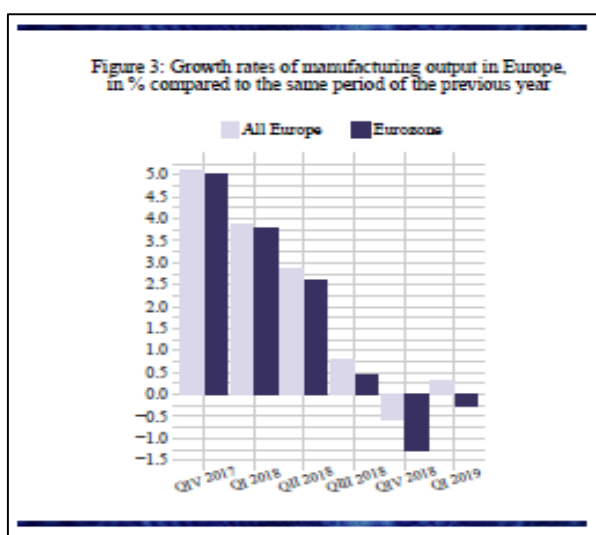
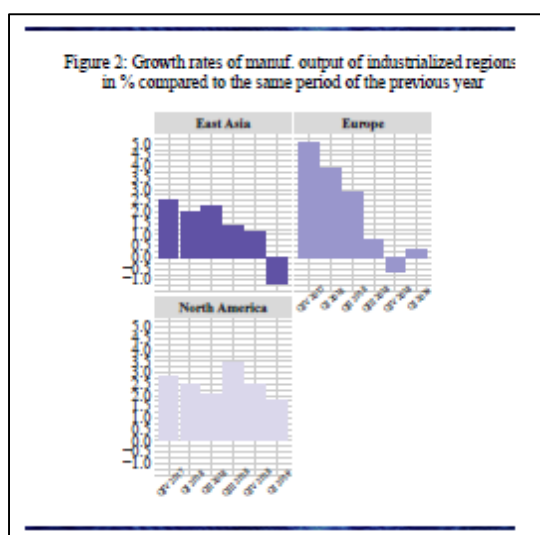
(Source: World Manufacturing Production- Statistics for Quarter I, 2019; United Nations Industrial Development Organisation - www.unido.org)

Industrialized economies

The manufacturing output growth of industrialized economies has been continuously declining over the last quarters. According to UNIDO's most recent seasonally adjusted estimates, the year 2019 set off with another visible decline in manufacturing. Compared to the same period of the previous year, manufacturing production rose by only 0.4 per cent in the first quarter of 2019, following a 2.5 per cent in-crease in the second, a 1.9 per cent increase in the third and a 0.9 per cent increase of manufacturing output in the fourth quarter of 2018. A more detailed look at selected industrialized regions provides further insights into the gradual overall decline (Figure 2).

North America's manufacturing output rose by 1.8 per cent in the first quarter of 2019 compared to the same period of the previous year. While industrialized economies in Europe grew moderately on a year-on-year basis (0.3 per cent in the first quarter of 2019 following a negative growth rate of 0.6 per cent in the fourth quarter of 2018), the manufacturing output of East Asia's industrialized economies dropped by 1.1 per cent.

This first year-on-year decline in East Asia's industrialized countries since the first quarter of 2016 was widespread. In addition to a contraction in Taiwan ROC's manufacturing output of 3.7 per cent, of 1.7 per cent in the Republic of Korea and of 0.3 per cent in Singapore, Japan, the largest manufacturer of the region, registered a negative grow rate of 1.1 per cent. Compared to the same period of the previous year, Hong Kong SAR and Malaysia was able to withstand this downward trend following growth rates of 0.9 per cent and 4.0 per cent, respectively.



Against the backdrop of the uncertainty about the timing of the United Kingdom's withdrawal from the European Union (Brexit) and about the nature of their future economic relationship, disaggregated data on industrialized economies in Europe revealed a comparatively lower manufacturing output growth of euro zone countries.

Data for the first quarter of 2019 indicated a negative year-on-year growth rate for two leading euro zone economies – manufacturing output fell by 2.3 per cent in Germany and by 0.9 per cent in Italy. France and Spain, by contrast, witnessed positive year-on-year growth rates in the first quarter of 2019 (1.3 per cent and 1.1 per cent, respectively), following the decrease in manufacturing output observed in the fourth quarter of 2018 (-1.6 per cent and -1.3 per cent, respectively).

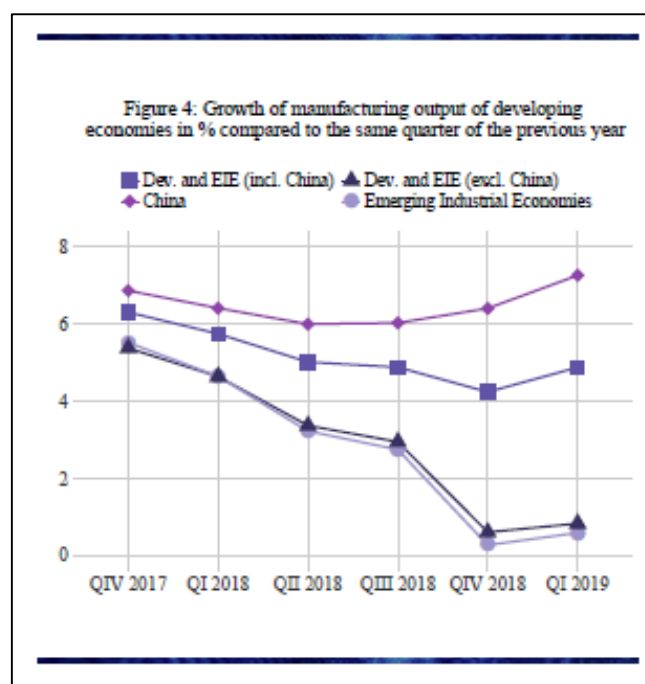
Other euro zone economies showed a mixed picture of growth as well. Compared to the same period of the previous year, manufacturing output rose by 7.0 per cent in Slovakia, by 5.8 per cent in Estonia, by 5.5 per cent in Lithuania, by 4.8 per cent in Austria and by 4.1 per cent in Belgium in the first quarter of 2019, whereas declining figures were registered in Malta (-3.6 per cent), Portugal (-1.5 per cent) and the Netherlands (-0.5 per cent). Beyond the euro zone, the United Kingdom observed a year-on-year growth rate of 1.2 per cent in the first quarter of 2019. Due to the extension of the Brexit deadline to 31 October 2019, it remains to be seen how business confidence and investment decisions will affect manufacturing output in future quarters. Among others, especially Hungary (+6.0 per cent) and Denmark (+5.1 per cent) continued to successfully extend their periods of stable growth.

North America's overall manufacturing production grew by 1.8 per cent compared to the same period of the previous year, with an increase of 1.9 per cent in the United States and 1.4 per cent in Canada. Among other industrialized economies, Switzerland registered a growth rate of 5.0 per cent compared to the first quarter of the previous year. Furthermore, year-on-year manufacturing output grew by 2.8 per cent in Norway and by 1.5 per cent in the Russian Federation.

(Source: World Manufacturing Production- Statistics for Quarter I, 2019; United Nations Industrial Development Organisation - www.unido.org)

Developing and Emerging Industrial Economies

Consistent with previous quarterly reports, China is presented separately from other country groups due to its size and the characteristics of its economy, as the country's extended high growth rate is rapidly transforming China into an industrialized economy.



China

According to seasonally adjusted UNIDO estimates, China's manufacturing output in the first quarter of 2019 expanded at its strongest pace since 2015, reaching a growth rate of 7.3 per cent compared to the same period of the previous year. This improved growth figure amid an uncertain global trade environment might be influenced by the Chinese government's infrastructure investments in addition to fiscal and monetary stimulus. Growth was widespread across the different industries. Basic metals (+8.9 per cent), computer electronics (+9.0 per cent) and machinery (+9.8 per cent) strongly contributed to China's overall economic performance. It re-mains to be seen whether the 6.0 per cent growth rate of Quarters II and III in 2018 marked a cyclical turning point, as experts have warned that the expansion in production is linked to in-creased stockpiling across the globe to sidestep potentially rising tariffs. This would likely have a negative effect on the level of demand in forth-coming quarters.

Developing and emerging industrial economies (excl. China)

After an accelerated slowdown in manufacturing output in the last quarter of 2018, developing and emerging industrial economies showed a tendency of stabilization in the first quarter of 2019, resulting in a slightly improved year-on-year growth rate of 0.8 per cent.

The growth performance of Asia and the Pacific region, in particular, increased by 2.5 per cent compared to the same period of the previous year. While Indonesia continued to be a key driver of this positive development with a growth rate of 5.1 per cent, year on year manufacturing output growth lost some of its momentum in India, dropping from 5.7 per cent in the third and from 2.8 per cent in the fourth quarter of 2018 to 1.2 per cent in the first quarter of 2019. Viet Nam, by contrast, managed to rebound from its decline of 3.1 per cent in the last quarter of 2018. Compared to the same period of the previous year, the country's growth rate returned to a comparatively solid 4.1 per cent in the first quarter of 2019.

Latin America's year-on-year growth rate remained negative in the first quarter of 2019. The contraction of 1.2 per cent compared to the same period of the previous year was primarily attributable to Argentina's continued recession and Brazil's declining manufacturing out-put. While Argentina's struggle with a negative double-digit growth rate (-10.8 per cent com-pared to the first quarter of 2018) persisted, Brazil recorded another negative year-on-year growth rate of 1.6 per cent in the first quarter of 2019 following a drop of 2.7 per cent in the fourth quarter of 2018. Mexico as well as Colombia, Chile and Peru had positive growth rates of 0.5 per cent, 2.6 per cent, 1.2 per cent and 0.3 per cent, respectively.

Compared to the first quarter of the previous year, growth estimates based on limited data for African countries generally indicated a moderate rise in manufacturing output of 0.7 per cent. With growth rates of 6.3 per cent, 3.1 per cent, 0.7 per cent and 0.3 per cent, Côte d'Ivoire, Morocco, Nigeria and Senegal, respectively, represented countries with expanding year-on-year manufacturing production in the first quarter of 2019. The region's most industrialized country, South Africa, experienced an expansion in manufacturing output as well, reaching a year-on-year growth rate of 0.5 per cent. Compared to the previous quarter, however, the seasonally adjusted estimates implied a decline of 2.4 per cent. The important automotive industry recorded one of the most dramatic plunges (-6.8 per cent compared to the fourth quarter of 2018).

The year-on-year manufacturing output in the group of developing and emerging industrial economies of Europe remained unchanged in the first quarter of 2019 after a drop of 2.3 per cent in the fourth quarter of 2018. Compared to the same period of the previous year, the majority of countries experienced rising manufacturing output. Year-on-year growth rates of 3.5 per cent and higher were registered, for example, in Albania, Poland, North Macedonia, Bulgaria, Latvia and Croatia. By contrast, the manufacturing output of Turkey, the group's largest manufacturer, as well as of Serbia and Bosnia and Herzegovina declined by 5.2 per cent, 2.1 per cent and 1.8 per cent, respectively.

(Source: World Manufacturing Production- Statistics for Quarter I, 2019; United Nations Industrial Development Organisation - www.unido.org)

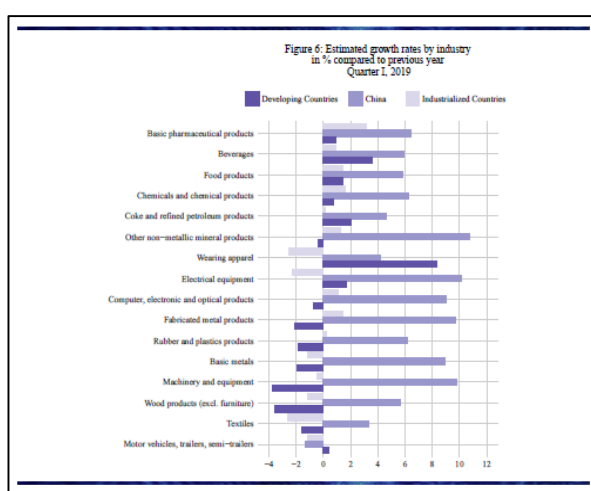
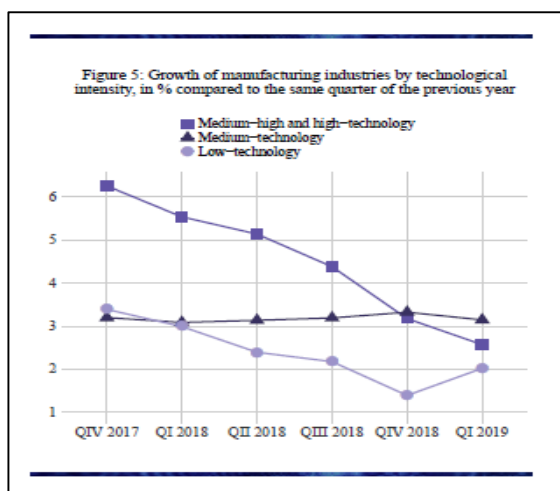
Findings by Industry Groups

Industries grouped according to technological intensity have seen varied growth patterns in recent periods. Medium high- and high-technology industries had a significantly higher year-on-year growth rate, especially in the first half of 2018, and contributed substantially to overall economic performance. In the first quarter of 2019, the year-on-year growth rate is estimated at 2.6 per cent, plummeting from over 6.0 per cent in the fourth quarter of 2017. Despite the gradual decline throughout 2018, which to some extent relates to the prevalent trade disruptions between major economies, structural change represented by a shift towards high-technology manufacturing industries is evident and will play a key role in promoting innovation in the long term. Investment in sustainable new technologies continues to represent a major component in the generation of innovation that shapes the future of manufacturing in both advanced and emerging economies.

Figure 5 illustrates the relative stability of the manufacturing output growth rates of medium-technology industries comprising, inter alia, basic metals and non-metallic mineral products. Compared to the same period of the previous year, this industry group's overall output rose by 3.1 per cent in the first quarter of 2019. This is attributable to a significant extent to the continued high manufacturing output of China, the world's largest producer of basic metals, where output grew by 8.9 per cent compared to the first quarter of 2018. The United States, another major producer of basic metals, also expanded its year-on-year output in the first quarter of 2019, with a growth rate of 3.3 per cent. Non-metallic mineral products grew by 4.3 per cent in the first quarter of 2019 compared to the same period of the previous year.

Among other industries, wearing apparel expanded by 4.3 per cent on a year-over-year basis. Paper products as well as wood products grew at a comparatively lower pace compared to the same period of the previous year (0.5 per cent and 0.2 per cent, respectively).

Figure 6 presents detailed growth rates for various industries by country groups. In the first quarter of 2019, only a few industries observed a positive year-on-year growth rate in all country groups, namely basic pharmaceutical products as well as chemicals and chemical products and coke and refined petroleum products. Beverages and food products, representing essential basic consumer goods, can be subsumed under this category as well. Both industries recorded the highest growth rate in China, but the expansion in output was also evident in developing as well as in industrialized countries. Additional data on growth rates during the first quarter of 2019 are available in the Statistical Tables.



(Source: World Manufacturing Production- Statistics for Quarter I, 2019; United Nations Industrial Development Organisation - www.unido.org)

GLOBAL PHARMACEUTICAL INDUSTRY

The volume of medicines used globally will reach 4.5 trillion doses by 2020 and cost \$1.4 trillion, both representing significant increases from 2015. The largest pharmaceutical-using countries will be the pharmerging markets, with two-thirds of the global medicine volumes, mostly comprised of generic medicines and dramatic increases in the utilization of medicines due to broad-based health system expansions. Developed markets will continue to account for the majority of medicine spending due to both higher prices per unit and the mix of newer medicines that bring meaningful clinical benefit to patients facing a wide range of diseases.

Medicine use in 2020

In 2020, more of the world's population will have access to medicine than ever before, albeit with substantial disparities. Patients will receive 4.5 trillion doses, up 24% from 2015, with most of the increase from countries closing the gap in per capita usage of medicines between developed and pharmerging countries. Over 50% of the world's population will consume more than 1 dose per person per day of medicines, up from one third of the world in 2005, driven by India, China, Brazil and Indonesia. Developed markets will continue to use more original branded and specialty medicines per capita while pharmerging markets will use more non-original brands, generics and over the counter medicines. The use of new medicines – first available in the prior 10 years – will represent 0.1% of volumes in pharmerging markets, compared to 2-3% in developed markets.

Medicine spending in 2020

Global spending on medicines will reach \$1.4 trillion by 2020, an increase of 29-32% from 2015 compared to an increase of 35% in the prior 5 years. Spending will be concentrated in developed markets, with more than half for original brands and focused on non-communicable diseases. Specialty therapies will continue to be more significant in developed markets than in pharmerging markets and different traditional medicines will be used in developed markets compared to pharmerging markets. Spending growth will be driven by brands in developed markets and increased usage in pharmerging markets, while being offset by patent expiries. Brand spending in developed markets will increase by \$298 billion in the 5 years to 2020 driven by new products and price increases primarily in the U.S., but will be offset by an estimated \$90 billion in net price reductions. Small molecule patent expiries will have a larger impact in 2016-2020 than in the prior five years, and there will be an increased impact from biologics. In 2020, the U.S., EU5, and Japan will have important differences in spending and growth dynamics from today. Pharmerging markets' spending will grow primarily from increased use of medicines while China, the leading pharmerging country, will reach \$160-190 billion in spending with slowing growth to 2020.

Transformations in disease treatment

The overwhelming inertia in medicine use - where 97% of medicines used have been available for more than 10 years - masks the contribution from transformative disease treatments, orphan drugs for rare diseases and technology-enabled changes in care that can harness big data to better inform decisions help drive patient behaviour changes and improve outcomes. The seemingly intractable problems of neglected tropical diseases, compounded by poverty and war in Africa, appear to finally be responding to philanthropy-funded research and engagement resulting in fundamental changes by 2020. The use of medicines in 2020 will include 943 New Active Substances introduced in the prior 25 years, and new medicines in recent years will be weighted to specialty and biologics. Patients will have greater access to breakthrough therapies and clusters of innovation around hepatitis C, a range of cancers, autoimmune diseases, heart disease, and an array of other rare diseases. The ubiquity of smartphones, tablets, apps and related wearable devices combined with electronic medical records and exponentially increasing real-world data volumes will open new avenues to connect healthcare information while offering providers and payers new mechanisms to control costs.

Implications

The continued expansion of healthcare access around the world portends a fundamental gap in delivery capacity where added patient access outruns staffing, infrastructure and funding sources. By 2020 we will see a substantial shift in many major markets away from the siloed budgeting that manages drug spending separately from other healthcare costs. Emerging economies will be focused on providing access and essential medicines to that in need to close endemic healthcare gaps.

Providers in more parts of the world will be subject to performance or outcomes-based contracts and payment systems, bringing sharper scrutiny to patient outcomes and costs associated with patient care. More healthcare will be delivered using technology-enabled means, by providers other than doctors and in patients' homes, pharmacies and community-based facilities. The use of technology will be key to the advancement of healthcare, especially in emerging markets where the expense of large scale infrastructure projects would delay progress.

Patients will have many more treatment options, especially in cancer and rare diseases, and will be informed, motivated and engaged partners in treatment choices. Their financial stake will also rise as private and public payers in developed economies have already begun to increase patients' levels of co-payment. In low- and middle-income countries direct out-of-pocket cash payments will shift to premiums for private or supplementary insurance as countries strive for universal health coverage.

The outlook to 2020 includes higher levels of medicine spending and therefore higher revenues for manufacturers than in the last five years. The extent and nature of the issues faced by healthcare stakeholders and the sources of the spending growth projected in this report belie a more complex challenge to the sustainability of the pharmaceutical industry. Critical adaptations will be necessary to thrive into the next decade, and key among them will be listening and providing valuable solutions to the problems their customers face.

(Source: Global Medicines Use in 2020 - Outlook and Implications IMS Institute for Healthcare Informatics www.imshealth.com)

MEDICINE USE IN 2020 - ACCESS TO MEDICINES INCREASES BY 2020 BUT SIGNIFICANT DIFFERENCES EXIST BY COUNTRY

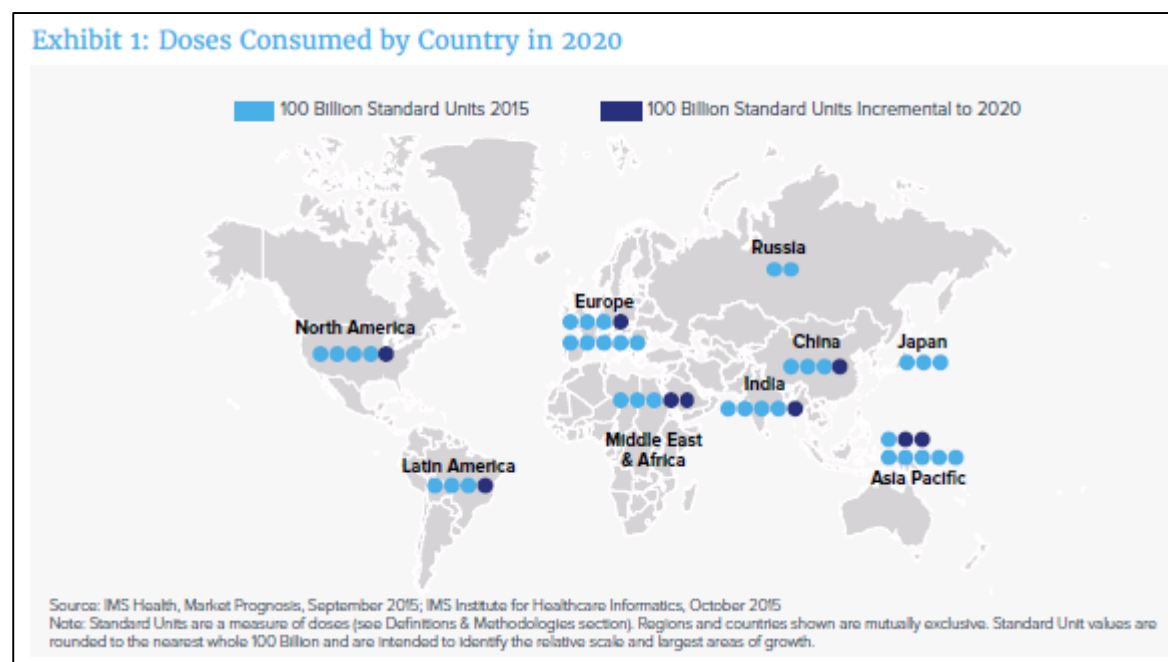
- Global medicine use in 2020 will reach 4.5 trillion doses, up 24% from 2015
- Over 50% of the world's population will consume more than 1 dose per person per day of medicines, up from one third of the world in 2005, driven by India, China, Brazil and Indonesia
- Closing the gap in per capita use of medicines differs by country; increased usage is primarily in emerging markets, while developed markets volumes remain more stable
- Developed markets will continue to use more original branded and specialty medicines per capita while pharmerging markets use more non-original brands, generics and over the counter medicines

- In 2020 the use of new medicines, introduced in the prior 10 years, will represent 0.1% of volumes in pharmerging markets, compared to 2-3% in developed markets

Medicines in 2020 will include a vast array of treatments ranging from those that provide symptom relief available without a prescription to lifesaving genetically personalized therapies unique to a single patient. Total use of medicines in 2020 will reach 4.5 trillion doses, up 24% from 2015 levels. Over half of the world's population will consume more than 1 dose per person per day of medicines, up from one-third in 2005 and driven by India, China, Brazil and Indonesia. Success in closing the gap in per capita use of medicines differs by country; increased usage is primarily in emerging markets, while developed markets' volumes remain more stable. Developed markets will continue to use more original branded and specialty medicines per capita while pharmerging markets will use more non-original brands, generics and over the counter products. Furthermore, the adoption of newer medicines will remain higher in developed markets than in pharmerging markets.

Medicine Use Comparisons

Most of the global increase in the volumes of medicines used in the 5 years to 2020 will be in India, China, Brazil, Indonesia, and Africa (see Exhibit 1). The largest increases align to areas with the most development gains and often in areas with the lowest usage previously.



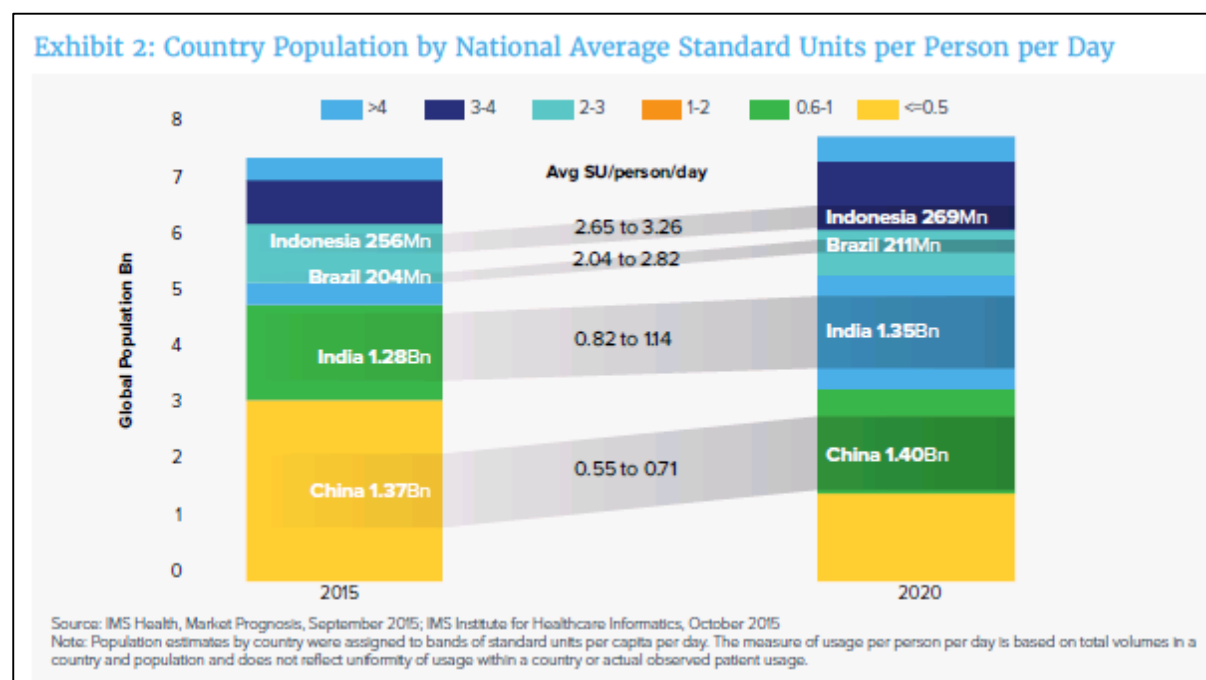
Usage of medicines in Africa and Middle-Eastern countries will increase from 300 to 500 billion standard units in 2020. Within the region, Saudi Arabia and other gulf states will substantially close the gap to developed markets' per capita usage of medicines, while millions of people in sub-Saharan Africa will make modest gains from some of the lowest levels of volume usage in the world. China and India will have each completed ten years of healthcare access expansion by 2020, with nearly all of the Chinese population having basic medical insurance. Most of the rest of the Asia Pacific increased usage will come from Indonesia.

In 2020, Europe's 889 million people will have only modest increases in usage rising from about 818 billion to 916 billion doses, mostly occurring in central and eastern European countries such as Poland, which will approach developed market average usage. Asia Pacific, with 1.3 billion people (excluding China, India and Japan) will increase usage substantially, with half of the increase from Indonesia's shift to 3.26 standard units (SUs) per person per day in 2020. The Middle East and Africa region with 1.6 billion people and 2.5 times the population of Latin America (657 million) will have only 20% more usage overall.

Rising per capita use in pharmerging markets

As the world's population tops 7.6 billion in 2020, per capita usage of medicine will reach about 1.6 Sus per person per day. Most developed countries have usage above 2 SUs per person per day and much of the increased usage in 2020 is driven by China, India, Brazil and Indonesia where substantial increases will have been made in average medicine volume usage (see Exhibit 2).

These four countries with a combined population of 3.23 billion in 2020 - up from 3.11 billion in 2015 - will account for nearly half of the increased volume in medicine usage globally from 2015-2020. India's level of medicine usage is a reflection of both a very basic healthcare infrastructure and the ease of access for medicines where even the most complex medicines can be obtained at a corner pharmacy if the patient can afford them.



China's increased usage belies a more complex system where nearly all citizens will be covered by health insurance but access to medicines will usually require a hospital visit and out-of-pocket costs, discouraging some patients from seeking and adhering to treatment. The gap in average medicine usage between developed markets and pharmerging markets is closing, albeit slowly (see Exhibit 3). The use of medicines requires both the healthcare infrastructure to diagnose diseases and administer drugs appropriately, as well as the financial wherewithal to pay for them. While costs are often substantially lower for medicines in pharmerging markets, so is the ability to pay. The rise of government safety nets and private insurance is one key factor that will increase volume usage across pharmerging markets. The extent and pace of investments, both public and private, will be a key determinant of continued increases in usage

Saudi Arabia's commitment to wider healthcare access brings it to roughly the same level of usage as the average developed market by 2020, and represents the largest increase among the pharmerging countries. Other countries that will see a closing of the usage gap in 2020 by ten percentage points or more include Brazil, Egypt, Bangladesh, Indonesia, Turkey, Colombia and Algeria.

(Source: Global Medicines Use in 2020 - Outlook and Implications IMS Institute for Healthcare Informatics www.imshealth.com)

MANUFACTURING SECTOR IN INDIA:

Introduction

Manufacturing has emerged as one of the high growth sectors in India. Prime Minister of India, Mr Narendra Modi, had launched the 'Make in India' program to place India on the world map as a

manufacturing hub and give global recognition to the Indian economy. India is expected to become the fifth largest manufacturing country in the world by the end of year 2020*.

Market Size

The Gross Value Added (GVA) at basic current prices from the manufacturing sector in India grew at a CAGR of 4.34 per cent during FY12 and FY18 as per the second advance estimates of annual national income published by the Government of India. Under the Make in India initiative, the Government of India aims to increase the share of the manufacturing sector to the gross domestic product (GDP) to 25 per cent by 2022, from 16 per cent, and to create 100 million new jobs by 2022. Business conditions in the Indian manufacturing sector continue to remain positive.

Investments

With the help of Make in India drive, India is on the path of becoming the hub for hi-tech manufacturing as global giants such as GE, Siemens, HTC, Toshiba, and Boeing have either set up or are in process of setting up manufacturing plants in India, attracted by India's market of more than a billion consumers and increasing purchasing power.

As per Labour Bureau's Quarterly Report on Employment Scenario, manufacturing sector added an estimated 89,000 jobs in the second quarter of 2017-18. Cumulative Foreign Direct Investment (FDI) in India's manufacturing sector reached US\$ 73.70 billion during April 2000-December 2017. India has become one of the most attractive destinations for investments in the manufacturing sector. Some of the major investments and developments in this sector in the recent past are:

- As of May 2018, The Chatterjee Group (TCG) is planning to set up a Continuous Polymerisation (CP) unit and a spinning unit, which will act as forward integrated units for its petrochemicals subsidiary MCPI.
- As of April 2018, Rallis India, a subsidiary of Tata Chemicals, is planning to undertake backward integration as its inputs have become costlier and the move will help the company to ease pressure on its profit margins.
- For its Commercial Vehicles, Ashok Leyland is utilising machine learning algorithms and its newly created telematics unit to improve the performance of the vehicle, driver and so on.

Government Initiatives

The Government of India has taken several initiatives to promote a healthy environment for the growth of manufacturing sector in the country. Some of the notable initiatives and developments are:

- As of March 2018, Government of India is in the process of coming up with a new industrial policy which envisions development of a globally competitive Indian industry.
- In Union Budget 2018-19, the Government of India reduced the income tax rate to 25 per cent for all companies having a turnover of up to Rs 250 crore (US\$ 38.75 million).
- Under the Mid-Term Review of Foreign Trade Policy (2015-20), the Government of India increased export incentives available to labour intensive MSME sectors by 2 per cent.
- The Government of India has launched a phased manufacturing programme (PMP) aimed at adding more smartphone components under the Make in India initiative thereby giving a push to the domestic manufacturing of mobile handsets.
- The Government of India is in talks with stakeholders to further ease foreign direct investment (FDI) in defence under the automatic route to 51 per cent from the current 49 per cent, in order to give a boost to the Make in India initiative and to generate employment.
- The Ministry of Defence, Government of India, approved the "Strategic Partnership" model which will enable private companies to tie up with foreign players for manufacturing submarines, fighter jets, helicopters and armoured vehicles.

- The Union Cabinet has approved the Modified Special Incentive Package Scheme (M-SIPS) in which, proposals will be accepted till December 2018 or up to an incentive commitment limit of Rs 10,000 crore (US\$ 1.5 billion).

Road Ahead

India is an attractive hub for foreign investments in the manufacturing sector. Several mobile phone, luxury and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the country.

The manufacturing sector of India has the potential to reach US\$ 1 trillion by 2025 and India is expected to rank amongst the top three growth economies and manufacturing destination of the world by the year 2020. The implementation of the Goods and Services Tax (GST) will make India a common market with a GDP of US\$ 2.5 trillion along with a population of 1.32 billion people, which will be a big draw for investors.

With impetus on developing industrial corridors and smart cities, the government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.

Exchange Rate Used: INR 1 = US\$ 0.0142 as on June 30, 2019

Notes: * - According to the Global Manufacturing Competitiveness Index published by Deloitte

(Source: *Indian Manufacturing Industry Analysis - India Brand Equity Foundation* - www.ibef.org)

INDIAN PHARMACEUTICALS MARKET:

Introduction

India is the largest provider of generic drugs globally. Indian pharmaceutical sector industry supplies over 50 per cent of global demand for various vaccines, 40 per cent of generic demand in the US and 25 per cent of all medicine in UK.

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.

Market Size

The pharmaceutical sector was valued at US\$ 33 billion in 2017. The country's pharmaceutical industry is expected to expand at a CAGR of 22.4 per cent over 2015–20 to reach US\$ 55 billion. India's pharmaceutical exports stood at US\$ 17.27 billion in FY18 and have reached US\$ 19.14 billion in FY19. Pharmaceutical exports include bulk drugs, intermediates, drug formulations, biologicals, Ayush & herbal products and surgical.

Indian companies received 304 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 grow at an average growth rate of around 30 per cent a year and reach US\$ 100 billion by 2025.

Investments and Recent Developments

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\$ 15.98 billion between April 2000 and March 2019, according to data released by the Department of Industrial Policy and Promotion (DIPP).

Some of the recent developments/investments in the Indian pharmaceutical sector are as follows:

- Between Jul-Sep 2018, Indian pharma sector witnessed 39 PE investment deals worth US\$ 217 million.
- Investment (as % of sales) in research & development by Indian pharma companies* increased from 5.3 per cent in FY12 to 8.5 per cent in FY18.
- In 2017, Indian pharmaceutical sector witnessed 46 merger & acquisition (M&A) deals worth US\$ 1.47 billion
- 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.

Government Initiatives

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

- In October 2018, the Uttar Pradesh Government announced that it will set up six pharma parks in the state and has received investment commitments of more than Rs 5,000-6,000 crore (US\$ 712-855 million) for the same.
- The National Health Protection Scheme is largest government funded healthcare programme in the world, which is expected to benefit 100 million poor families in the country by providing a cover of up to Rs 5 lakh (US\$ 7,723.2) per family per year for secondary and tertiary care hospitalisation. The programme was announced in Union Budget 2018-19.
- In March 2018, the Drug Controller General of India (DCGI) announced its plans to start a single-window facility to provide consents, approvals and other information. The move is aimed at giving a push to the Make in India initiative.
- The Government of India is planning to set up an electronic platform to regulate online pharmacies under a new policy, in order to stop any misuse due to easy availability.
- The Government of India unveiled 'Pharma Vision 2020' aimed at making India a global leader in end-to-end drug manufacture. Approval time for new facilities has been reduced to boost investments.
- 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

Medicine spending in India is projected to grow 9-12 per cent over the next five years, leading India to become one of the top 10 countries in terms of medicine spending.

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

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

Exchange Rate Used: INR 1 = US\$ 0.0159 as on March 31, 2019

*References: Consolidated FDI Policy, Department for Promotion of Industry and Internal Trade (DPIIT), Press Information Bureau (PIB), Media Reports, Pharmaceuticals Export Promotion Council, AIOCD-AWACS, IQVIA, *Top 10 companies as per research by HDFC Securities*

(Source: Indian Pharmaceuticals Industry Analysis - India Brand Equity Foundation - www.ibef.org)

INDIAN PHARMACEUTICAL MARKET:

Indian pharmaceutical sector industry supplies over 50 per cent of global demand for various vaccines, 40 per cent of generic demand in the US and 25 per cent of all medicine in UK. India contributes the second largest share of pharmaceutical and biotech workforce in the world. The pharmaceutical sector in India was valued at US\$ 33 billion in 2017. India's domestic pharmaceutical market turnover reached Rs 129,015 crore (US\$ 18.12 billion) in 2018, growing 9.4 per cent year-on-year (in Rs) from Rs 116,389 crore (US\$ 17.87 billion) in 2017. In February 2019, the Indian pharmaceutical market grew by 10 per cent year-on-year.

With 71 per cent market share, generic drugs form the largest segment of the Indian pharmaceutical sector. Based on moving annual turnover, Anti-Infective (13.6%), Cardiac (12.4%), Gastro Intestinal (11.5%) had the biggest market share in the Indian pharma market in 2018.

Indian drugs are exported to more than 200 countries in the world, with the US as the key market. Generic drugs account for 20 per cent of global exports in terms of volume, making the country the largest provider of generic medicines globally and expected to expand even further in coming years. India's pharmaceutical exports stood at US\$ 19.14 billion in FY19 and US\$ 3.1 billion in FY20 (up to June 2019). In FY18, 31 per cent of these exports from India went to the US.

The 'Pharma Vision 2020' by the government's Department of Pharmaceuticals aims to make India a major hub for end-to-end drug discovery. The sector has received cumulative FDI worth US\$ 15.98 billion between April 2000 and March 2019. Under Budget 2019-20, allocation to the Ministry of Health and Family Welfare increased by 3.1 per cent to Rs 63,298 crore (US\$ 9.06 billion). Indian pharmaceutical sector is expected to grow at a CAGR of 15 per cent in the near future and medical device market expected to grow \$50 billion by 2025.

(Source: Pharmaceuticals June 2019 - India Brand Equity Foundation - www.ibef.org)

ADVANTAGE INDIA:

Cost efficiency

Low cost of production and R&D boosts efficiency of Indian Pharma companies, leading to competitive exports. Indian Pharma exports reached US\$ 3.1 billion in FY20 (up to June 2019). India's cost of production is approximately 33 per cent lower than that of the US. India's ability to manufacture high quality, low priced medicines, presents a huge business opportunity for the domestic industry.

Economic drivers

Economic prosperity to improve drug affordability. Increasing penetration of health insurance to drive expenditure on medicine. With increasing penetration of pharmacies, especially in rural India, OTC drugs will be readily available

Increasing Investments

Increasing private sector investments in R&D and acquisitions are driving the sector's growth. In FY18, Indian Pharma companies invested 8.8 per cent of their sales in R&D. between 2008-18, the S&P BSE Healthcare Index has grown at 16.72 percent in 2017, Indian pharmaceutical sector witnessed 46 merger & acquisition (M&A) deals worth US\$ 1.47 billion.

Policy support

Pharma Vision 2020' aimed at making India a global leader in end-to-end drug manufacturing. under Budget 2019-20, allocation to the Ministry of Health and Family Welfare increased by 3.1 per cent to Rs 63,298 crore (US\$ 9.06 billion). In this sector, 100 per cent FDI is allowed under automatic route.

(Source: Pharmaceuticals June 2019 - India Brand Equity Foundation - www.ibef.org)

IMPORTANT SEGMENTS IN INDIAN PHARMACEUTICAL SECTOR

Active Pharmaceutical Ingredients (APIs)

Domestic API consumption is expected to reach US\$ 18.8 billion by FY221. In April 2018, a high-level task force was constituted to create a roadmap for increasing domestic production of APIs. Currently India imports over 60 per cent of its APIs from other countries.

Contract Research and Manufacturing Services (CRAMS)

Fragmented market with more than 1,000 players. CRAMS industry has posted 48 per cent CAGR between FY15-18 and expected to witness a strong growth over 25 per cent over 2018-21.

Formulations

Largest exporter of formulations in terms of volume, with 14 per cent market share and 12th in terms of export value. Drug formulation* exports from India reached US\$ 14.39 billion during FY19 and US\$ 1.2 billion in FY20 (up to June 2019). Double-digit growth is expected over the next five years

Biosimilar

The government plans to allocate US\$ 70 million for local players to develop Biosimilar. The domestic market is expected to reach US\$ 40 billion by 2030

Notes: OTC - Over the Counter,* including biologicals, This is the latest data available. We are not sure when an update will be available.

Source: 1 RNCOS, BMI, Data monitor, Kemwell Biopharma, Chemical Pharmaceutical Generic Association, ICRA Report estimates, pharmanewswire.com, DGCI&S

(Source: *Pharmaceuticals June 2019 - India Brand Equity Foundation* - www.ibef.org)

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled “Forward Looking Statements” beginning on page 22 of this Draft Red herring Prospectus, for a discussion of the risks and uncertainties related to those statements and also the Section “Risk Factors” beginning on page 29 of this Draft Red herring Prospectus for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.

The financial information used in this Section, unless otherwise stated, is derived from our Financial Information, prepared in accordance with Indian GAAP and Companies Act and restated in accordance with the SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Red Herring Prospectus, including the information contained in the Sections titled “Risk Factors” and “Financial Information” beginning on pages 29 and 196 of Draft Red Herring Prospectus respectively.

Unless otherwise stated, all references in this Section to “Unidrug” or “the Company” or “our Company” or “we” or “our” or “us” are to Unidrug Innovative Pharma Technologies Limited.

OVERVIEW:

Our Company was originally incorporated as “Uni Drug Private Limited” at Indore, as a Private Limited Company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated March 13, 1987 bearing Registration Number 3875, issued by the Registrar of Companies, Gwalior, Madhya Pradesh. Subsequently, our Company was converted into a Public Limited Company pursuant to a special Resolution passed by the shareholders of the Company at the extra-ordinary general meeting held on October 12, 1995 consequent to which the name of our Company was changed to “Uni Drug Limited” vide a fresh Certificate of Incorporation dated December 4, 1995 issued by the Registrar of Companies, Gwalior, Madhya Pradesh bearing Registration Number 10-03875. Further, the name of our Company was changed to “Unidrug Innovative Pharma Technologies Limited” to signify the Company’s operations into Pharmaceuticals, pursuant to a special resolution passed by the shareholders of our Company at the extra-ordinary general meeting held on September 14, 1996 vide a fresh Certificate of Incorporation dated September 17, 1996 issued by Registrar of Companies, Gwalior, Madhya Pradesh bearing Registration Number 10-3875. The Corporate Identification Number of our Company is U85120MP1987PLC003875.

We are presently engaged in the manufacturing of APIs and API intermediates for the domestic market as well as for exports to international markets. APIs (Active Pharmaceutical Ingredients), also known as bulk drugs or bulk actives are the principal ingredient used in making finished dosages in the form of capsules, tablets, liquid, or other forms of dosage, with the addition of other APIs or inactive ingredients. Presently our Product portfolio comprises of 11 APIs and API Intermediates such as Allopurinol, Alprazolam, Disulfiram, Etamsylate, Mefenamic Acid, Nitazoxanide, Propranolol HCL, Tinidazole, Baclofen, Guaifenesin and Ornidazole. We get the job work done for two products i.e. Ornidazole and Guaifenesin from our group Company i.e. Univive Healthcare Private Limited under a Job Work agreement.

We develop and manufacture APIs for various therapeutic segments such as Antiprotozoal, Anti-Acute Gout, Anxiolytic, Alcohol Deterrent, Anti-Haemorrhagic, Non-Steroidal, Anti-Inflammatory, Antihypertensive, Anti-Spasmodic, Expectorant; Muscle Relaxant Ant-helminthic and Anti-Infective etc. for the Indian Pharmaceutical Market. Currently, we are one of the leading manufacturers of Tinidazole and Ornidazole which are considered as anti-protozoal molecules, a segment of bulk drug in Indian Pharmaceutical Markets.

Since incorporation in the year 1987, our Company was engaged in the trading of certain pharmaceutical products until it was taken over by our Promoters, Jainesh Jain and Kanaklata Jain in the year 1995 from the erstwhile promoters, Amarlal Navlani and Ushadevi Navlani. Thereafter, we have undertaken manufacturing of APIs on job work basis also from other manufacturers in the initial years along with trading of pharmaceutical products such as Albendazole, Mebendazole, Metronidazole, propylene Glycol etc. until further expansion towards own manufacturing set up.

We further expanded our operations by setting up of manufacturing facility at Plot No. 84 A and Plot No 84 B, Sector-E, Sanwer Road Industrial Area, Village Narval, Tehsil Indore - 452 015, Madhya Pradesh, India for developing and manufacturing APIs and API Intermediate in the FY 1997-98. We started our manufacturing operations in May 1997 with API products such as Chloramphenicol, Chloramphenicol palmitate and Tinidazole. Over a period of time, we have manufactured and developed various APIs thereby increasing our customer base across the domestic and exports markets and creating our product portfolio. We further expanded our facility by purchasing lands adjacent to our facility. In order to capture growing demand for bulk actives in international market and to create a more responsive and cost-effective supply chain, we started our export operations and grown year on year to various countries.

Our manufacturing facility has fully equipped quality control department with experienced and qualified staff to facilitate smooth manufacturing process. We have in-house testing laboratory and necessary infrastructure to test our raw materials and finished products to match the quality standards and as specified by the relevant pharmacopoeia/ customers. We also endeavour to maintain safety in our premises by adhering to key safety norms. Our Company has received Good Manufacturing Practices (GMP) Certificate from the Office of the Controller Food and Drugs Administration, Madhya Pradesh. All the products are being manufactured strictly as per GMP norms using the expertise of our experienced and trained team to provide quality output to our customers at competitive prices.

Our Company has marked its presence in both domestic as well as global markets. We supply our product across all major states in the Country. Also, we export our products to countries such as China, Egypt, Chile, El Salvador, Honduras, Hong Kong, Peru, Santo Domingo, Singapore, Switzerland, Syria, Thailand, Ukraine, Vietnam etc. We are registered as approved vendor to supply APIs or APIs Intermediate with Pharmaceutical Companies such as Cipla Limited, Alkem Laboratories Limited, Mankind Pharma Limited, Cadila Healthcare Limited, Caplin Point Laboratories Limited and many other Pharmaceutical Manufacturers etc. We are also a member of Pharmaceuticals Export Promotion Council of India (PHARMEXCIL).

The promoters of our Company are Jainesh Jain and Kanaklata Jain. They have an adequate experience in the line of the business undertaken by the Company and look after the strategic as well as day to day business operations. Our Promoters believe in the ideology of continuous improvement and development. Also, we believe role of a management team is equally important as to that of our employees for growth of a business, and accordingly we have placed an experienced management team to look after various facets of operations.

OUR LOCATIONAL PRESENCE:

Registered Office: Plot No. 84 A, Sector-E, Sanwer Road Industrial Area, Village Narval, Tehsil Indore - 452 015, Madhya Pradesh, India

Manufacturing Facility: Plot No. 84A and 84 B, Sector-E, Sanwer Road Industrial Area, Village Narval, Tehsil Indore - 452 015, Madhya Pradesh, India

Warehouse Facility: Plot No.72 B, Sector-E, Sanwer Road Industrial Area, Village Narval, Tehsil Indore - 452 015, Madhya Pradesh, India

City Office: No. 117-B, Bansi Trade Centre, Near Janjirwala Square, Indore - 452 003, Madhya Pradesh, India

FINANCIAL SNAPSHOT:**Financial Snapshot of our Company as per Restated Financial Information is as under:**

(Amount in Rs. Lakhs)

Particulars	FY 2018-19	FY 2017-18	FY 2016-17
Revenue from Operations	3085.98	3250.34	2623.49
Total Revenue	3102.25	3257.52	2650.32
EBITDA	509.26	267.87	118.20
EBITDA Margin (in %)	16.42 %	8.22 %	4.46 %
PAT	322.09	149.23	23.47
PAT Margin (in %)	10.38 %	4.58 %	0.89 %

Note:

1. EBITDA Margin = (Restated profit before tax + Finance Cost + Depreciation and amortization expense)/ Total Revenue;
2. PAT Margin = PAT/ Total Revenue

Geographical break-up of our revenue as per Restated Financial Information is as under:-

(Amount in Rs. Lakhs)

Particulars	FY 2018-19	FY 2017-18	FY 2016-17
Domestic Market	2981.60	3135.67	2514.00
Export Market	104.38	113.16	105.08
Total Revenue from Sale of products	3085.98	3248.83	2619.08

Break-up of Domestic Sales - State wise is detailed as under:-

(Amount in Rs. Lakhs)

Sr. No	Name of States	FY 2018-19	FY 2017-18	FY 2016-17
1	Assam	-	17.39	2.6
2	Andhra Pradesh	12	18.58	36.7
3	Chandigarh	-	0.17	2.51
4	Daman	32.39	8.87	22.2
5	Delhi	25.09	19.6	14.21
6	Goa	6.15	96.69	133.98
7	Gujarat	188.14	164.89	191.3
8	Haryana	9.46	5.59	6.81
9	Himachal Pradesh	151.9	333.63	363.28
10	J&K	233.28	201.79	65.63
11	Karnataka	29.78	29.57	10.8
12	Madhya Pradesh	173.6	125.3	102.53
13	Maharashtra	1335.89	1029.58	768.27
14	Pondicherry	28.78	24.31	40.63
15	Punjab	0.99	15.15	0.15
16	Rajasthan	8.2	4.02	1.03
17	Sikkim	235.47	368.94	119.69
18	Telangana	-	0.22	-
19	Tamil Nadu	25.22	28.93	20.97
20	Uttar Pradesh	-	-	0.48
21	Uttarakhand	485.01	635.84	584.44

Sr. No	Name of States	FY 2018-19	FY 2017-18	FY 2016-17
22	West Bengal	0.26	6.61	25.79
	Total	2981.61	3135.67	2514.00

Break-up of Exports Country wise are detailed as under:-

(Amount in Rs. Lakhs)

Sr. No	Name of Countries	FY 2018-19	FY 2017-18	FY 2016-17
1	Chile	10.44	-	-
2	China	0.91	0.34	-
3	Egypt	0.2	-	11.26
4	El Salvador (Panama)		-	10.88
5	Honduras	3.72	3.2	-
6	Hong Kong	3.52	1.56	24.33
7	Peru	36.36	36.85	22.1
8	Santo Domingo	22.02	-	-
9	Singapore	-	14.06	-
10	Switzerland	5.96	8.35	28.76
11	Syria	-	-	1.75
12	Thailand	-	48.8	6
13	Ukraine	0.17	-	-
14	Vietnam	21.08	-	-
	Total	104.38	113.16	105.08

Break-up of our Revenue product wise:-

(Amount in Rs. Lakhs)

Sr. No	Name of Product Segment	FY 2018-19	FY 2017-18	FY 2016-17
1	7Chloro1,3dihydro5phenyl2h,1,4benzodiazepine 2Thione (API Intermediate for alprazolam)	55.96	17.43	15
2	Allopurinol	0.9	51.52	21
3	Alprazolam	8.67	9.9	16.03
4	Baclofen	5.71	9.9	8.18
5	Disulfiram	77.45	155.85	64.39
6	Etamsylate	24.52	223.07	37.21
7	3,4 chlorophenyl Glutamic Acid (API Intermediate for baclofen)	81.2	28	60.62
8	Guaifenesin	60.12	108.22	239.7
9	Mefenamic Acid	116.19	90.59	133.04
10	Nitazoxanide	252.91	302.85	251.83
11	Ornidazole	1691.37	1423.18	969.32
12	Propranolol HCL	17.65	8.53	3.7
13	Tinidazole	606.38	678.24	734.76
14	Xanthinol Nicotinate	10.58	-	-
15	Calcium Dobesilate	-	2.14	4.7
16	Others	76.37	139.40	59.60
	Total	3085.98	3248.82	2619.08

OUR PRODUCTS:

Active Pharmaceutical Ingredient (API) is the substance that is active within the drug and a specific component responsible for the desired effect on consumption which is present in the form of Pharmaceutical tablets, capsules, Liquids or such other forms of dosages with the addition of inactive ingredients. We supply APIs and API Intermediates to pharmaceutical companies which convert the APIs into various forms of formulations such as tablets, capsules and liquid form for final consumption. We supply APIs to various domestic as well as international companies. We are manufacturing following APIs and API Intermediates in FY 2019-20.

Sr. No.	Name of API or API Intermediate	Pharmacopoeia	CAS No.	Raw Materials	Application
1	Allopurinol	IP, BP, USP	315-30-0	Triethyl ortho formate, Morpholine, Cyanoacetamide, Hydrazine hydrate Formamide, Isopropylalcohol, Sulphuric Acid	Anti-Acute Gout
2	Alprazolam	IP, BP, USP	28981-97-7	2-Amino-5-ChloroBenzophenone, Chloro Acetyl Chloride	Anxiolytic
3	Disulfiram	IP, BP, USP	97-77-8	Carbon disulfide, Diethyl Amine	Alcohol Deterrent
4	Etamsylate	BP	2624-44-4	Di Ethyl Amine, Hydroquinone, Sulphuric Acid	Anti-Hemorrhagic
5	Mefenamic Acid	IP,BP & USP	61-68-7	Ortho Chloro Benzoic Acid, 2,3Xylidine	Non-Steroidal, Anti-Inflammatory
6	Nitazoxanide	IHS	55981-09-4	Thionyl Chloride, Aspirin, Methylene Di Chloride (MDC), 2Amino 5Nitro Thiazole	Anti-protozoal
7	Propranolol HCL	IP, BP, USP	318-98-9	Alpha Naphthol, Epichlorohydrin, Monoisopropyl Amine	Antihypertensive

Sr. No.	Name of API or API Intermediate	Pharmacopoeia	CAS No.	Raw Materials	Application
8	Tinidazole	IP, BP, JP, USP, EP	19387-91-8	2-Methyl-5-Nitro-Imidazole (2MNI), 2-Ethyl Thio Ethanol (2ETE), Hydrogen Peroxide (H ₂ O ₂)	Anti Protozoal
9	Baclofen	IP, BP, USP	1134-47-0	Parachlorobenzaldehyde, Ethylacetoacetate,	Anti-Spasmodic
10	Guaifenesin*	IP, BP, USP	93-14-1	Guaiacol, Epichlorohydrin	Expectorant; Muscle Relaxant Ant-helminthic
11	Ornidazole*	IP	16773-42-5	2-Methyl-5-Nitro-Imidazole (2MNI), Epichlorohydrin	Anti-Infective

IP - Indian Pharmacopoeia, BP - British Pharmacopoeia, USP - United States Pharmacopoeia, JP – Japanese Pharmacopoeia, EP – European Pharmacopoeia and IHS – In House Specification

* We get the job work done for two products i.e. Ornidazole and Guaifenesin from our group company i.e. Univive Healthcare Private Limited.

We have also manufactured 7Chloro1, 3dihydro5phenyl2h, 1,4benzodiazepine 2Thione (API Intermediate for alprazolam) and 3,4 chlorophenyl Glutamic Acid (API Intermediate for baclofen), Calcium Dobesilate etc in last three FYs.

OUR MAJOR RAW MATERIALS:

2,3 Xylidine, 2Methyl 5Nitro Imidazole, Epichlorohydrin, Ethyl Thio Ethanol, Hydrogen Peroxide, Liquor Ammonia, Methanol, Niacin, Ortho Chloro Benzoic Acid, Diethyl Amine, Thionyl Chloride, 2Amino 5Nitro Thiazole, Guaiacol, 2Amino5ChloroBenzophenone are some of the major raw materials required in the manufacturing of APIs. We source required raw materials as mentioned above domestically as well as from international markets. We import raw materials majorly from China and Belgium.

END USERS:

We supply APIs and API Intermediates to pharmaceutical companies which convert the APIs into various forms of formulations such as tablets, capsules and liquid form for final consumption.

OUR MANUFACTURING FACILITY:

The manufacturing facility, together with its modern production and Quality Assurance facilities is located at Plot No. 84A and 84B, Sector-E, Sanwer Road Industrial Area, Village Narval, Tehsil Indore - 452 015, Madhya Pradesh, India. The facility has a manufacturing plant well equipped with the latest pharmaceutical products manufacturing equipments such as glass lined vessels, stainless steel vessels, centrifuges, Fluid bed dryers, Multi Mill, Columns and Receivers, Blenders, Weighing Scales, Ammonia Liquor Tank, Condenser etc. We also have Effluent Treatment Plants as required by pollution control board.

We have different types of reactors i.e. Stainless Steel Reactor, Glass Lined Reactor, PVC, Glass Assembly of size of approximately 50 Ltr to 8000 Ltr. The facility is capable of working at temperature ranging from -10°C to 250°C. Our manufacturing facility is well equipped to carry out reactions such as Friedel craft Reactions, Grignard Reactions, Condensation, Chloro Sulphonation, Bromination, Acetylation, Oxidation, Amidation, Reduction, Hydrolysis, Chlorination, Cyanation, Diazotization, Cyclization, etc. using these reactors.

Also, we have a quality assurance, quality control and Research & Development departments, which have been provided with the latest testing equipments. Quality Control block is equipped with Wet Labs, Instrumentation Labs, and Microbiology Labs to carry intermediate, in-process, and final product analysis. The instrumentation includes Gas Chromatography with Headspace, IR & UV Spectrophotometers, FTIR (Fourier transform infrared spectroscopy) Spectrophotometer, Polari meter, Millipore Water System, Muffle Furnace, stability chambers, desiccator, photo stability chambers, High Performance Liquid Chromatography (HPLC) with Auto sampler, etc.

We have the required capabilities and infrastructure to ensure full operation of the quality function from raw material analysis to in process analysis and analysis of final products. We aim at achieving quality products and customer satisfaction through Good Manufacturing practices and strives for continual improvement.

OUR API MANUFACTURING PROCESS (PRODUCT WISE):

Our Company is engaged in the manufacturing of Active Pharmaceutical Ingredients ("APIs") and Intermediates strictly as per pharmacopial norms which are used in Pharmaceutical Industry. Presently, we manufacture 11 APIs and API Intermediates such as Allopurinol, Alprazolam, Disulfiram, Etamsylate, Mefenamic Acid, Nitazoxanide, Propranolol HCL, Tinidazole, Baclofen, Guaifenesin and Ornidazole.

A brief manufacturing process for each API is as follows:

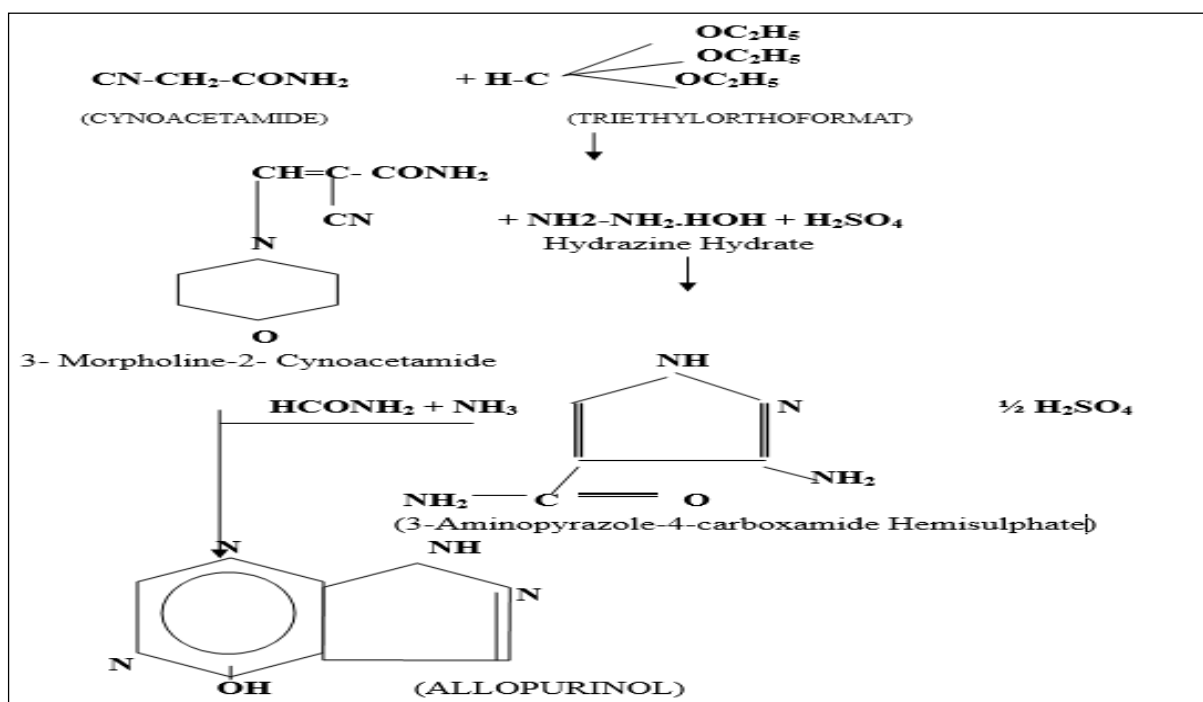
1) ALLOPURINOL

Allopurinol, is a medication used to decrease high blood uric acid levels. It is specifically used to prevent gout, prevent specific types of kidney stones and for the high uric acid levels that can occur with chemotherapy. It is taken by mouth or injected into a vein.

Manufacturing Process:

Cyanoacetamide is reacted with Triethylorthoformate (TEOF) and Morpholine in presence of a suitable solvent and the wet cake so obtained is treated with Hydrazine Hydrate and crystallized with Sulphuric acid to obtain 3-Amino-4-pyrazole carboxamide Hemisulphate. 3-Amino-4-pyrazole carboxamide Hemisulphate is reacted with formamide to form Allopurinol which is crystallized, centrifuged, dried, tested as per the specification and is then packed in Fiber/HDPE container as per the requirement of the customer.

Reaction Scheme for Allopurinol:



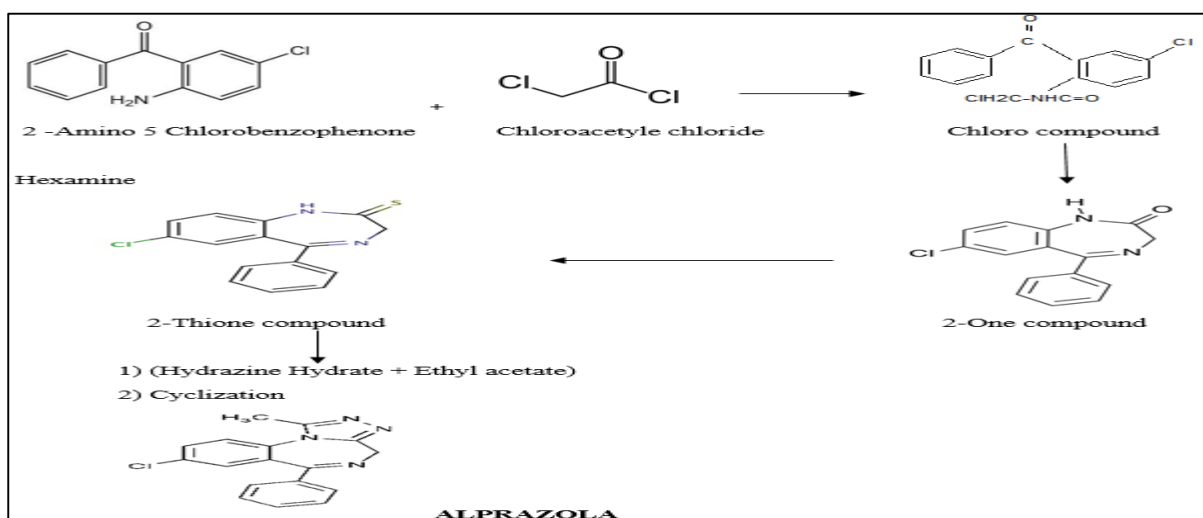
2) ALPRAZOLAM

Alprazolam is a Benzodiazepine. The chemical classification of alprazolam is Benzodiazepines. Alprazolam is an orally available benzodiazepine used predominantly for therapy of anxiety. It is most commonly used in short term management of anxiety disorders, specifically panic disorder or generalized anxiety disorder (GAD). Other uses include chemotherapy-induced nausea, together with other treatments.

Manufacturing Process:

2-Amino-5-chlorobenzophenone is acetylated with Chloro acetyl-chloride in a Glass lined reactor followed by neutralization and ammoniacal cyclization. The product obtained is then condensed with Ethyl Hydrazine hydrate and further cyclised in presence of catalyst at a controlled temperature and time period to obtain crude Alprazolam. This is then crystallized in Methanol to obtain pure Alprazolam which is centrifuged, dried, tested to its specification and packed in Fiber/ HDPE container as per the required of the customer.

Reaction Scheme of Alprazolam



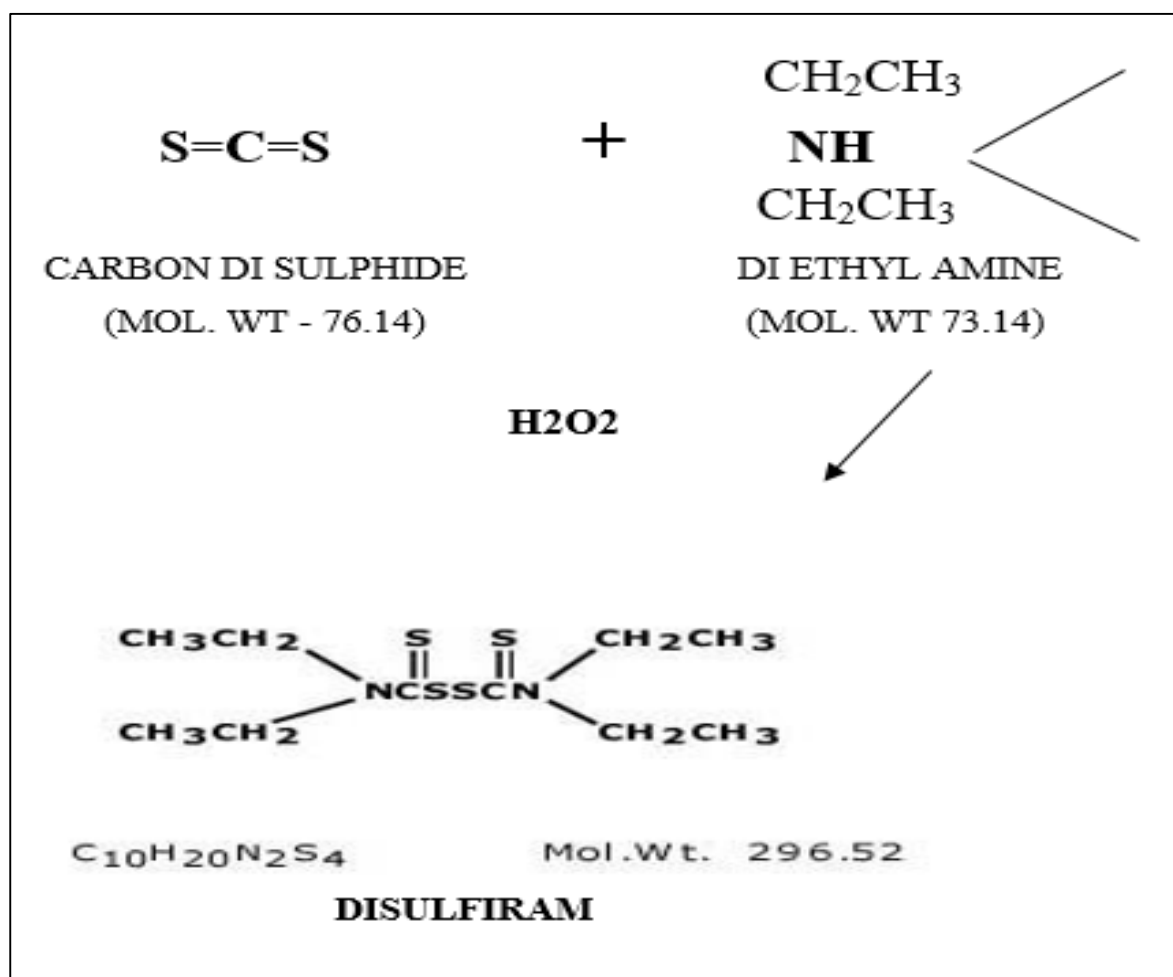
3) DISULFIRAM

Disulfiram belongs to a family of medicines called aldehyde dehydrogenase inhibitors. Disulfiram is a drug used to support the treatment of chronic alcoholism by producing an acute sensitivity to ethanol (drinking alcohol). Disulfiram has been studied as a possible treatment for cancer, latent HIV infection, Lyme disease and babesiosis.

Manufacturing Process:

Carbon Disulphide is reacted with diethyl amine and Hydrogen peroxide to obtain crude Disulfiram. The crude Disulfiram product is charcolised and filtered in a solvent. The filtrate is crystallized to form Disulfiram. Crystallized Disulfiram is isolated by centrifugation and dried, tested and then packed in HDPE/Fibre drums.

Reaction Scheme of Disulfiram:



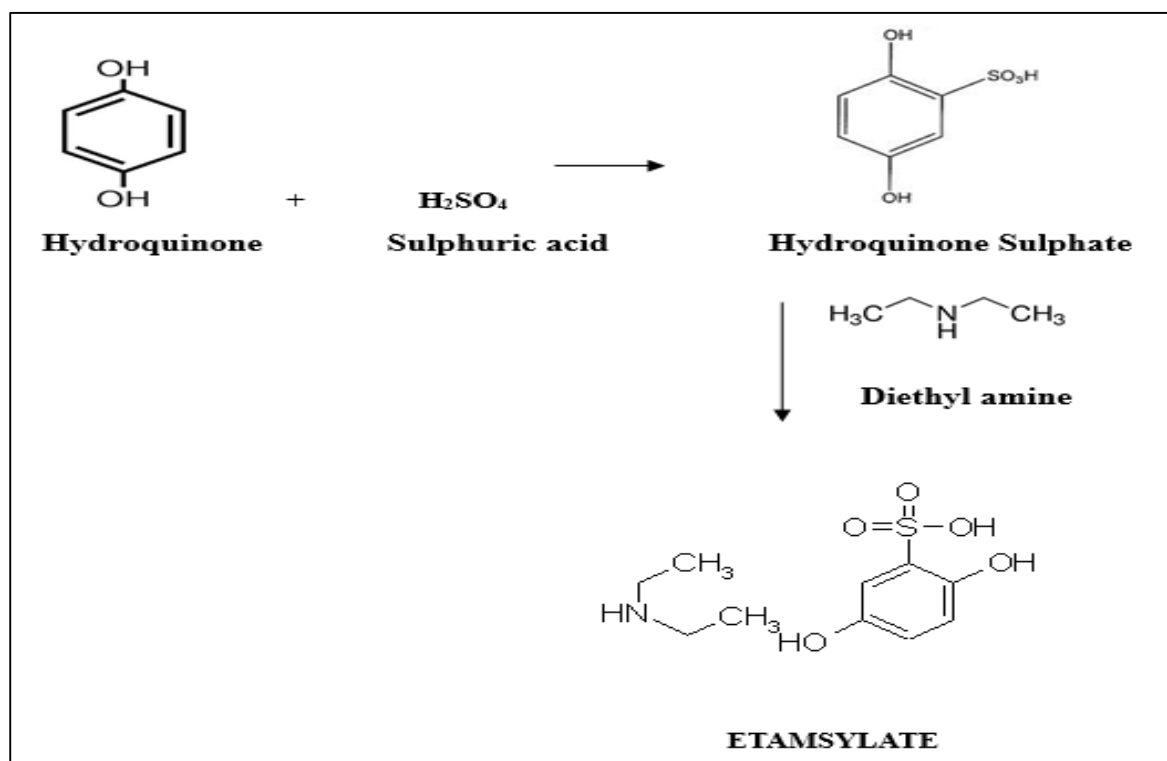
4) ETAMSYLATE

Etamsylate is an anti-hemorrhagic agent which is used to work by increasing resistance in the endothelium of capillaries and promoting platelet adhesion. It also inhibits biosynthesis and action of those prostaglandins which cause platelet disaggregation, vasodilation and increased capillary permeability.

Manufacturing Process:

Hydroquinone is reacted with Sulphuric Acid to form an intermediate which is then reacted with Diethyl Amine to Obtain Crude product. The Crude product so obtained is charcolised, purified in suitable solvent to obtain the pure product. Pure Etamsylate is then dried, tested and packed in fiber/ HDPE drums.

Reaction Scheme of Etamsylate:



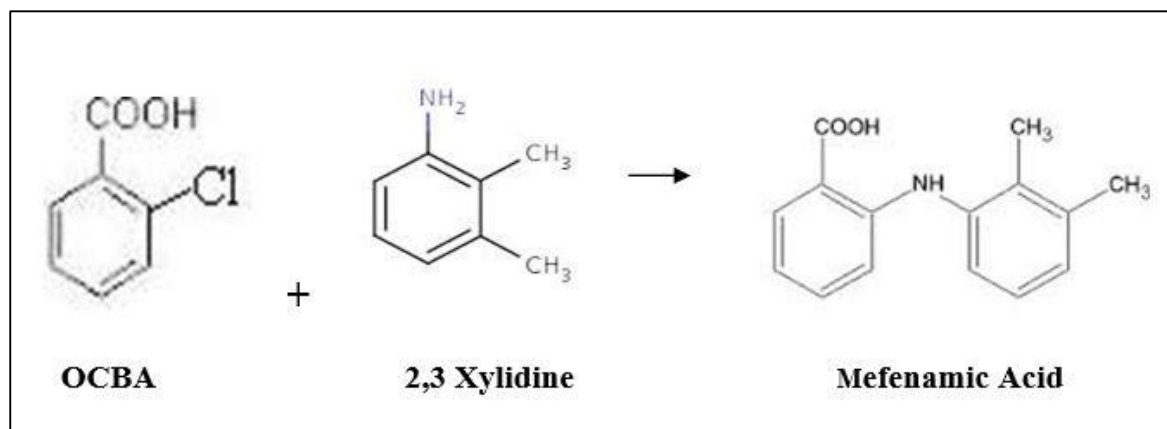
5) MEFENAMIC ACID

Mefenamic acid is a member of the anthracitic acid derivatives class of NSAID drugs and is used to treat mild to moderate pain, including menstrual pain, and is sometimes used to prevent migraines associated with menstruation. Its name is derived from its systematic name, dimethyl phenyl amino benzoic acid.

Manufacturing Process:

Ortho Chloro Benzene Acid is added to the caustic lye solution taken in a SS reactor followed by addition of 2, 3 Xylidine. The reaction mass is heated to around and maintained under stirring till reaction completes. After completion of reaction the material is cooled, centrifuged and the crude product Mefenamic acid is isolated. The crude product is then purified in a suitable solvent. Pure Mefenamic acid is dried, tested and packed in HDPE / Fiber Drums.

Reaction Scheme of Mefenamic acid:



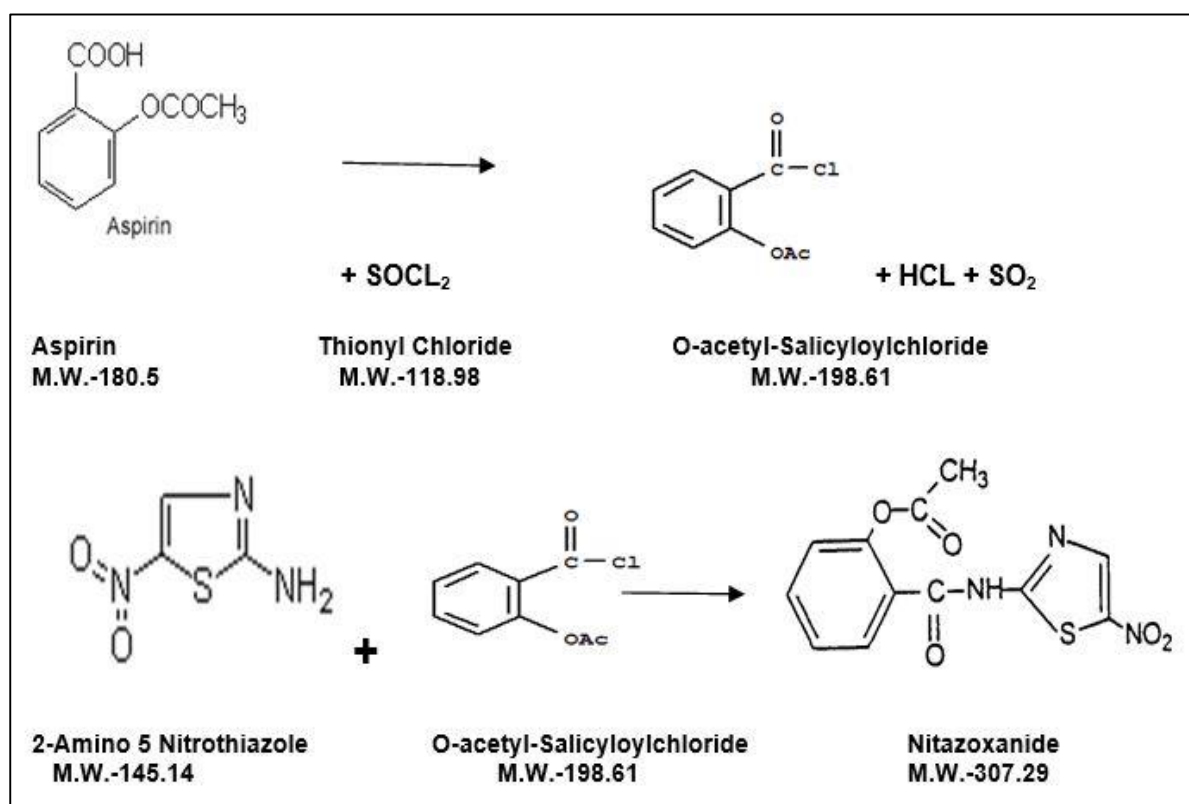
6) NITAZOXANIDE

Nitazoxanide is a broad-spectrum anti-parasitic and broad-spectrum antiviral drug that is used in medicine for the treatment of various helminthic, protozoal and viral infections. It is indicated for the treatment of infection by *Cryptosporidium parvum* and *Giardia lamblia* in immunocompetent individuals and has been repurposed for the treatment of influenza. Nitazoxanide has also been shown to have in vitro anti-parasitic activity and clinical treatment efficacy for infections caused by other protozoa and helminths; emerging evidence suggests that it possesses efficacy in treating a number of viral infections as well.

MANUFACTURING PROCESS:

Aspirin and Thionyl Chloride are reacted in Glass Lined reactor to form an intermediate product. The intermediate product is then reacted with 2-Amino 5-Nitro Thiazole in the presence of solvent. After reaction, the material is centrifuged and washed with chilled solvent. Crude Nitazoxanide is purified using appropriate solvent, tested and packed.

Reaction Scheme of Nitazoxanide:



7) PROPRANOLOL HYDROCHLORIDE (HCL)

This medication is a beta blocker used to treat high blood pressure, irregular heartbeats, shaking (tremors), and other conditions. It is used after a heart attack to improve the chance of survival. It is also used to prevent migraine headaches and chest pain (angina). This drug works by blocking the action of certain natural chemicals in your body (such as epinephrine) that affect the heart and blood vessels.

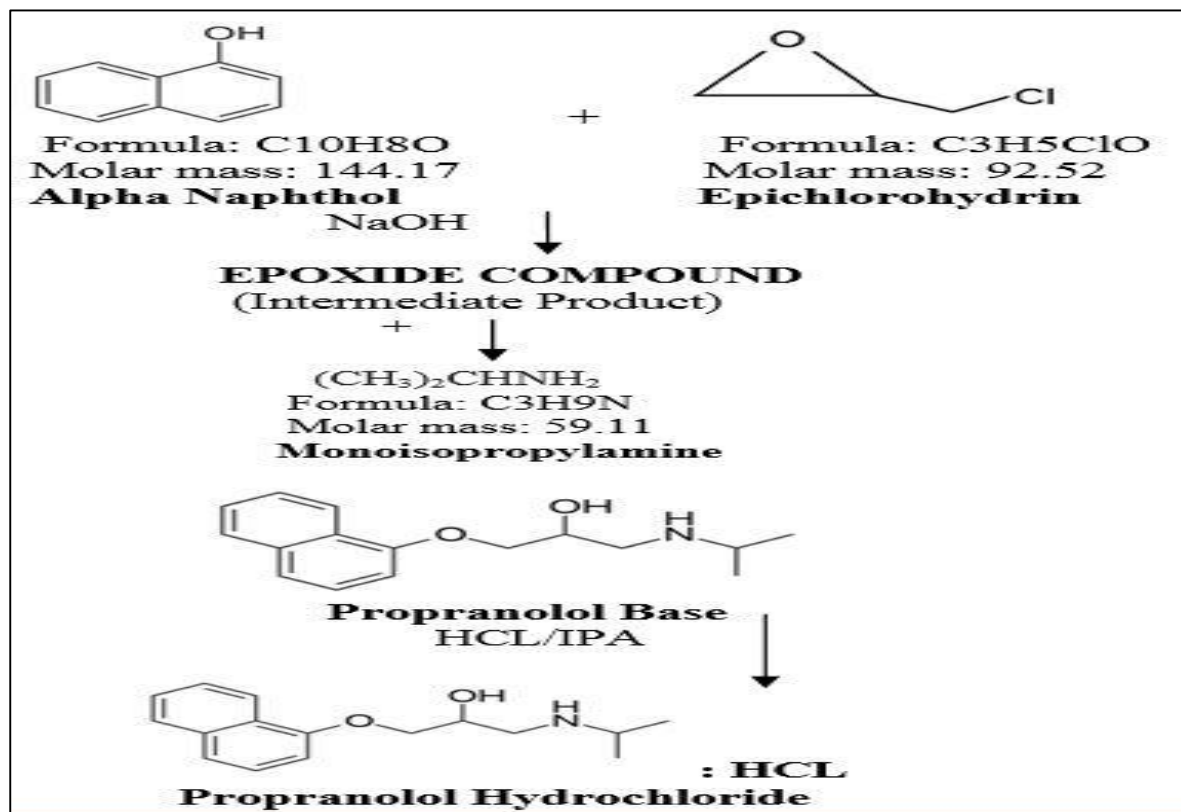
Manufacturing Process:

Alpha Naphthol and Epichlorohydrin are reacted together in alkaline medium to form Epoxide. The epoxide formed in the reaction is then reacted with Monoisopropyl amine to form Propranolol Base. The Propranolol base so formed is centrifuged and dried.

The Propranolol base is reacted Hydrochloric Acid to form Crude Product. It is then treated with charcoal and filtered. The Filtrate is then chilled to obtain crystalline Propranolol Hydrochloride The

crystalline product is centrifuged, dried, tested and packed in Fiber/HDPE container as per the requirement of the customer.

Reaction Scheme of Propranolol HCL:



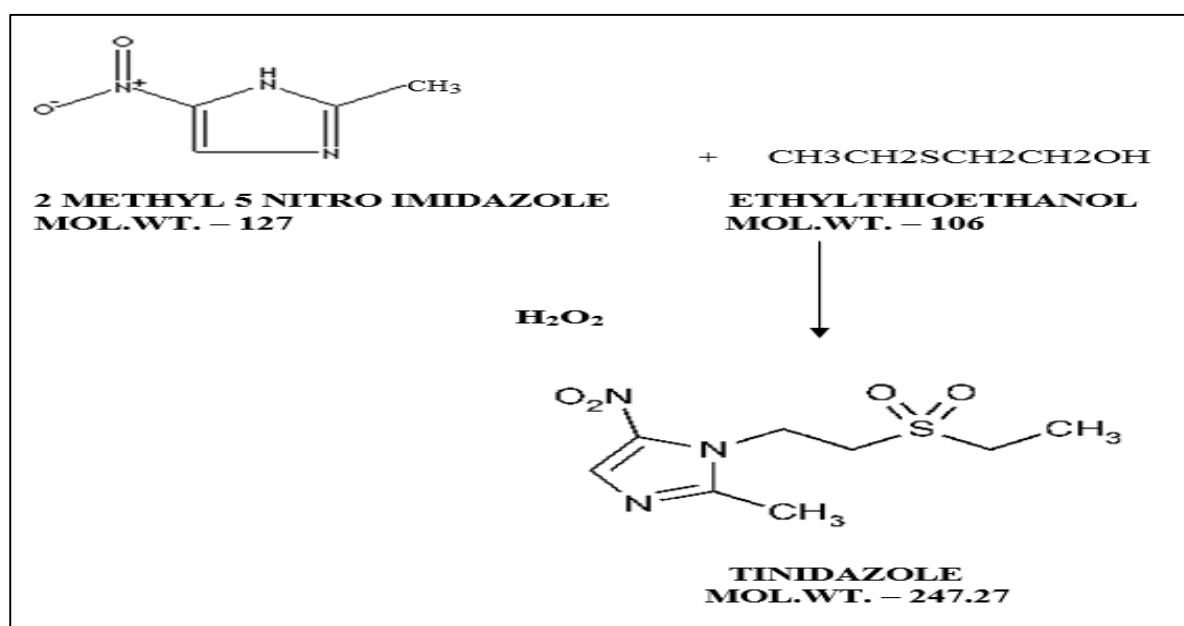
8) TINIDAZOLE

Tinidazole is an anti protozoal drug used against protozoan infections. It is widely known throughout Europe and the developing world as a treatment for a variety of amoebic and parasitic infections. It was developed in 1972 and is a prominent member of the nitro imidazole antibiotic class. Tinidazole may be a therapeutic alternative in the setting of metronidazole tolerance. Tinidazole may also be used to treat a variety of other bacterial infections (e.g., as part of combination therapy for *Helicobacter pylori* eradication protocols). Tinidazole is an antibiotic that is used to treat certain types of vaginal infections (bacterial vaginosis, trichomoniasis). It is also used to treat certain types of parasite infections (giardiasis, amebiasis). It works by stopping the growth of certain bacteria and parasites.

Manufacturing Process:

2-Methyl-5-Nitro Imidazole (2MNI) is reacted with 2-Ethyl Thio Ethanol at high temperature. The product obtained is then oxidized with Hydrogen peroxide to obtain Tinidazole, which is then crystallized, centrifuged, dried, tested and packed in Fiber/HDPE drums as per the requirement of the customer.

Reaction Scheme of Tinidazole:



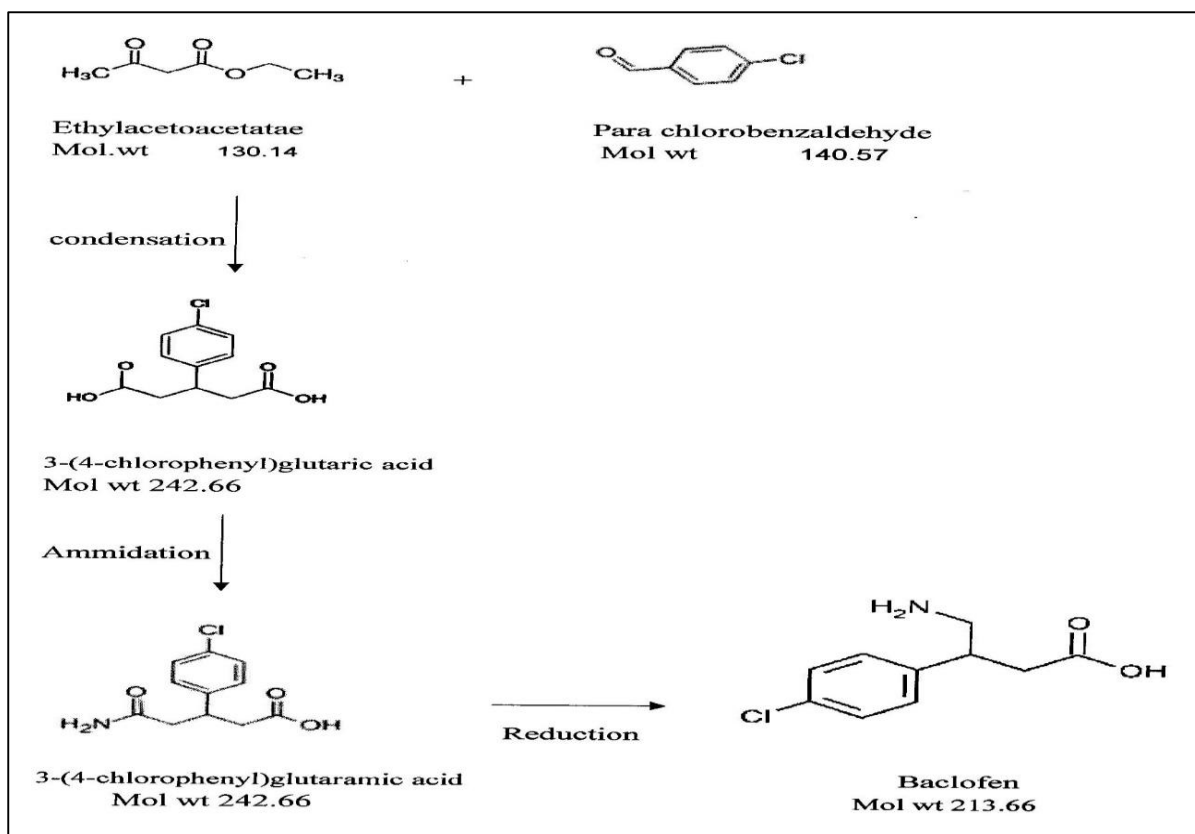
9) BACLOFEN

Baclofen is a medication used to treat muscle spasticity such as from a spinal cord injury or multiple sclerosis. Baclofen is a muscle relaxer and an antispasmodic agent. Baclofen is used to treat muscle symptoms; such as spasm, pain and stiffness; caused by multiple sclerosis, spinal cord injuries, or other spinal cord disorders. It may also be used for hiccups and muscle spasms near the end of life.

Manufacturing Process:

Ethylacetoacetate and Parachlorobenzaldehyde are reacted and after completion of reaction the Intermediate product is isolated by centrifuging it. The Intermediate product is then subjected to Amidation, wherein 3-(4-hlorophenyl) Glutamic Acid is formed, which is centrifuged, dried, tested to its specification and then taken for further processing. The intermediate is then treated with a suitable reducing agent in the presence of solvent and after reaction completion is neutralized with liquor ammonia followed by centrifuge, drying and testing. As per the requirement of the Customer the material is then packed in HDPE/Fiber drums.

Reaction Scheme of Baclofen:



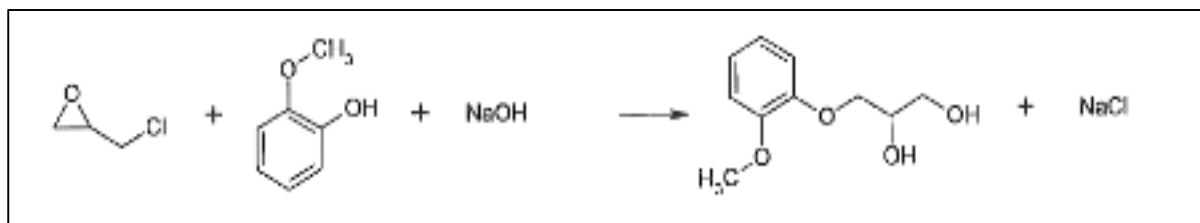
10) GUAIFENESIN

Guaifenesin, a medication used to try to help cough out phlegm from the airways. It is often used in combination with other medications. Guaifenesin is an expectorant. It works by thinning and loosening mucus in the airways, clearing congestion, and making breathing easier. It is used to control cough and is sometimes combined with an antitussive. It is also combined with ephedrine for symptomatic relief of asthma.

Manufacturing Process:

Epichlorohydrin which is first converted to α -chlorohydrin is reacted with Guaiacol in alkaline condition to obtain Crude Product The Crude product is then vacuum distillation of the crude product, which is further crystallized with suitable solvent. The crystalline product is centrifuged, dried, tested and then packed in Fiber/ HDPE container as per the requirement of the customer.

Reaction Scheme of Guaifenesin:



11) ORNIDAZOLE.

Ornidazole is an effective medicine to treat infections caused by protozoa and certain strains of anaerobic bacteria. Ornidazole reduces the nitro group to more reactive amine groups that interrupt with the formation of microbial DNA. It is used to treat infections of the stomach, intestine, urinary tract and genital area. It is also used to prevent possible infections during a surgical procedure. Ornidazole can be used in the management of a variety of infections caused by bacteria, fungi, and parasites. Ornidazole

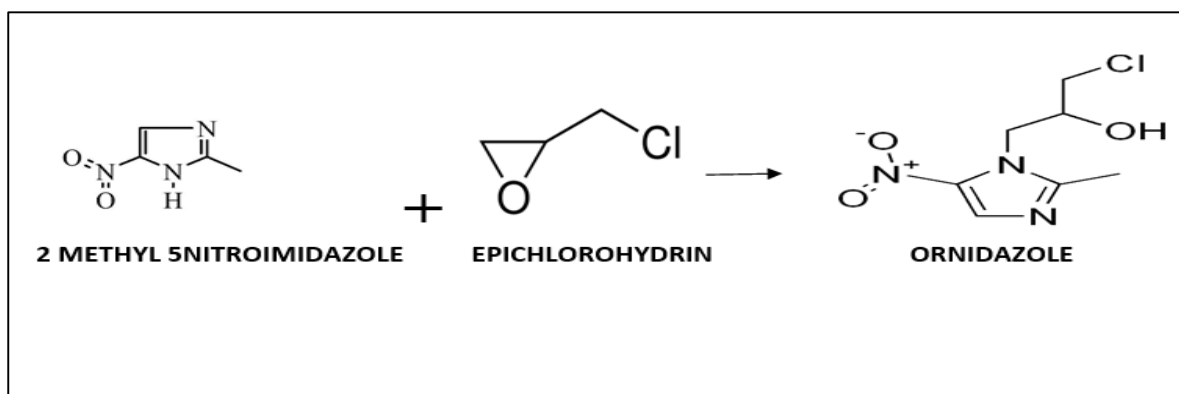
is used for treatment of Amebiasis, Amoebic dysentery, Giardiasis, Trichomoniasis, Bacterial Vaginosis, Anaerobic bacterial infections, surgical prophylaxis.

One common use of Ornidazole is in the management of gastrointestinal infections that cause diarrhoea and discomfort, including infections with amoebae and protozoans. Another application for Ornidazole is treatment of respiratory infections like bronchitis and pneumonia complicated by the presence of aggressive bacteria. Some sexually transmitted infections, like gonorrhoea and chlamydia, are also treatable with Ornidazole. It can also be used to treat Hansen's disease, or leprosy.

Manufacturing Process:

2 Methyl 5 Nitro Imidazole is reacted with Epichlorohydrin in acidic medium to obtain the crude product. The Crude product is dissolved, filtered and crystallised to obtain pure product.

Reaction Scheme of Ornidazole:



OUR COMPETITIVE STRENGTHS:

Experienced Management Team:

Our management team is experienced in the industry in which we are operating and has been responsible for the growth of our operations and financial performance over the years. In particular, our Promoter, Chairman & Managing Director, Mr. Jainesh Jain leads the company with his vision. He is a Chemical Engineer and has got an experience in the technical aspects of the business from Plant administration, Regulatory compliance, Project Management and who is responsible for the overall growth of the Company. Kanaklata Jain is associated with company since two decades, contributing to the growth of the Company. The strength and entrepreneurial vision of our Promoters and management have been instrumental in driving our growth and implementing our strategies.

We believe that a motivated and experienced employee base is essential for maintaining a competitive advantage. Our technical operations at manufacturing facility are being managed by experienced personnel and supervisors who are well versed with our Industry and business undertaken by our Company. We have well-qualified employee base with sound experience to handle quality control and quality assurance activities. We are dedicated to the development of the expertise of employees and continue to invest in them to ensure that they have the necessary training required to be successful in today's challenging environment. Our motivated team of management and key managerial personnel complement each other to enable us to deliver high levels of client satisfaction.

Multipurpose Manufacturing Plant:

We manufacture API and API Intermediate such as Allopurinol, Alprazolam, Disulfiram, Etamsylate, Mefenamic Acid, Nitazoxanide, Propranolol HCL, Tinidazole and Baclofen in our manufacturing Facility using the same Plant and machinery. The facility has a manufacturing plant well equipped with the latest pharmaceutical products manufacturing equipments such as glass lined vessels, stainless steel vessels, centrifuges, Fluid bed dryers, Multi Mill, Columns and Receivers, Blenders, Weighing Scales, Ammonia Liquor Tank, Condenser etc. It is well equipped to carry out reactions such as Friedel craft Reactions, Grignard Reactions, Condensation, Chloro Sulphonation, Bromination, Acetylation, Oxidation, Amidation, Reduction, Hydrolysis, Chlorination, Cynation, Diazotization, Cyclization, etc.

The manufacturing facility of the Company is versatile in its functions in the sense that we can switch over from one product to another very easily. Thus number of products can be manufactured in given set up unlike a dedicated plant set up for a particular product. The basic infrastructure required for production of various products are same with slight modification in raw materials and process, making it easy to switch from one product to another. Our facility complies with Good Manufacturing Practices norms and has required certification issued by office of the Controller, Food and Drugs Administration, Madhya Pradesh.

Quality Control and Quality Assurance:

Quality Control and Quality Assurance are integral part of our manufacturing operations. We believe that quality is an ongoing process of building and sustaining relationships. All the products are being manufactured strictly as per GMP norms using the expertise of our experienced and trained team to provide quality output to our customers at competitive prices. Our commitment of providing quality products is boasted by our industry knowledge.

Our manufacturing facility has fully equipped quality control department with experienced and qualified staff to facilitate smooth manufacturing process. We have in-house testing laboratory and necessary infrastructure to test our raw materials and finished products to match the quality standards and as specified by the relevant pharmacopoeia/ customers. Quality Control block is equipped with Wet Labs, Instrumentation Labs, and Microbiology Labs to carry intermediate, in-process, and final product analysis. The instrumentation includes Gas Chromatography with Headspace, IR & UV Spectrophotometers, FTIR (Fourier transform infrared spectroscopy) Spectrophotometer, Polari meter, Millipore Water System, Muffle Furnace, stability chambers, desiccator, photo stability chambers, High Performance Liquid Chromatography (HPLC) with Auto sampler, etc. for ensuring quality product.

Scalable Business Model:

We believe that our business model is scalable. Our Business model is customer centric and order driven, and requires optimum utilisation of our existing resources, assuring quality supply and achieving consequent economies of scale. The business scale generation is basically due to development of new markets and products both domestic and international by exploring customer needs and by maintaining the consistent quality output. With the proposed expansion, we will be able to increase our capacity for manufacturing and thereby scale up our business.

OUR BUSINESS STRATEGY:

We envisage long term growth by supplying qualitative products and building long term relations with customers. In line with this vision, our Company is implementing a business strategy with the following key components. Our strategy will be to focus on capitalizing on our core strengths and expanding the operations of our business. We intend to focus on our existing range of products with specific emphasis on the following factors as business and growth strategy:

Expansion of Manufacturing Facility

We are engaged in the manufacturing of Active Pharma Ingredients since two decades thereby using optimum manufacturing capacity. In order to cater increasing bulk demands for API products and to give boost to our Export operations, we have decided to expand production capacity at the adjoining land. We are intending to set up 350MT/per year capacity plant for manufacturing of API and API Intermediate products. The proposed facility is being established with modern technology to manufacture few more Active Pharma Ingredients (APIs) in GMP (Good Manufacturing Practices) Compliant environment. The project will be partially financed from the proceeds of the Issue. We believe that this proposed expansion of our manufacturing capacities will support our growth. Quality control and quality assurance will help us to get edge over competitors. Increased exports will further support economies of scale for the proposed plant. We intend to manufacture APIs such as Benfotiamine, Albendazole and Xanthinol Nicotiate at proposed facility along with our existing products.

Increase our Global Presence through Exports

Our Company has marked its presence in both domestic as well as global markets. We supply our product across all major states in the Country. Also, we export our products to countries such as China, Egypt, Chile, El Salvador, Honduras, Hong Kong, Peru, Santo Domingo, Singapore, Switzerland, Syria, Thailand, Ukraine, Vietnam etc. As per the restated financial information of the Company, our revenues from exports are Rs. 104.38 Lakhs, Rs. 113.16 Lakhs and Rs. 105.08 Lakhs in the FY 2018-19, FY 2017-18 and FY 2016-17 respectively.

In order to cater increasing bulk demands for API products and to give boost to our Export operations, we have decided to expand production capacity. We believe that this proposed expansion of our manufacturing capacities will support our growth and increase exports. Our growth strategy for exports will vary from country to country depending on country specific requirements. We may either form important relationships with companies with strong local presence or alternatively appoint local distributors through which we can undertake our business.

To expand our API Products Portfolio

We intend to continue to leverage our process chemistry skills to expand our API product portfolio. We have developed products in the Anti-Acute Gout, Anxiolytic, Alcohol Deterrent, Anti-Haemorrhagic, Anti-Inflammatory, Antiprotozoal, Antihypertensive, Anti-Spasmodic, Anti-helminthic, Anti-Infective areas and are currently in the process of setting up capacities to manufacture products in Diabetic Neuropathy and Vitamin B1 deficiency, Anti-helminthic and Vasodilator segments at proposed manufacturing facility. Our Company believes that increasing its portfolio of API products will increase opportunities to form new partnerships and build relationships with other pharmaceutical companies. As on the date of this Draft Red Herring Prospectus, our Company has about few products awaiting market exploitation; our team of research and development professionals is working on new products in other pharmaceutical segments.

Improving functional efficiency

We understand curtailing cost without compromise on quality is an important factor to be considered. We intend to improve efficiencies to achieve cost reductions and which will give us a competitive edge over our peers. We believe that this can be achieved through detailed analysis of our processes and continuous process improvement along with keeping pace with technology development. We continue to develop our technology systems to increase asset productivity, operating efficiencies and strengthen our competitive position. We believe that our in-house technology capabilities will continue to play a key role in effectively managing and expanding our operations, maintain strict operational and fiscal controls and continue to enhance customer service levels. We intend to continue to invest in our in-house technology capabilities to develop customized systems and processes to ensure effective management control.

PROPOSED MANUFACTURING FACILITY:

Our Company has obtained Techno-Economic Viability Report (Appraisal Report) dated September 9, 2019 from M/s Irfan Ahmed & Associates, Engineers & Consultants, Indore, Madhya Pradesh for the proposed Manufacturing Facility.

We are engaged in the manufacturing of Active Pharma Ingredients since two decades thereby using optimum manufacturing capacity. In order to cater increasing bulk demands for API products and to give boost to our Export operations, we have decided to expand production capacity at the adjoining land. The proposed facility is being established with modern technology to manufacture few more Active Pharma Ingredients (APIs) in GMP (Good Manufacturing Practices) Compliant environment.

According to the report, we are intending to set up 350 MT per year capacity plant for manufacturing of APIs. The project will be partially financed from the proceeds of the Issue.

Location of the Proposed Facility:

Plot No. 85 A & 85 B, Sector-E, Sanwer Road Industrial Area, Village Narval, Tehsil Indore - 452 015, Madhya Pradesh, India

Plot No. 86 B, Sector-E, Sanwer Road Industrial Area, Village Narval, Tehsil Indore - 452 015, Madhya Pradesh, India

Details of Building & Civil Constructions:

We decided to construct production plant of approx. 1654 Square Meter (Ground + 2 Floors) to install 13 Reactors of Stainless Steel Reactors (SS-316) and Glass Lined Reactors. Utility building will be constructed in approx. 188 Square Meter area. Boiler house will be included in the utility building. Drainage will be constructed for approx. 160 Square Meter and MEE plant in 120 Square Meter (Ground + 2 floors). Roads will be constructed in approx. 200 Square Meter area for easy access to the manufacturing facility and utility area. Effluent Treatment Plant (ETP) will be constructed in approx. 150 Square Meter.

Registration with District Industries Department:

The District Industries Center (DIC) issues "Udhyog Aadhaar Memorandum" from the date of starting of Commercial production. We shall be applying to DIC as soon as the commercial production commences.

Environment related Clearance from Pollution Control Board

Our Company has made application dated December 15, 2018 with Madhya Pradesh Pollution Control Board for Environment Clearance for Capacity Expansion for manufacturing Bulk Drugs and Intermediate Product at proposed facility. The said application was forwarded by State Environment Impact Assessment Authority to State Level Expert Appraisal Committee for determining scope of activities and Terms of reference in order to carry out Environmental Impact Assessment and to prepare Environment Management Plan for the project.

Accordingly, Terms of Reference dated March 01, 2019 has been issued by State Level Expert Appraisal Committee, Madhya Pradesh Pollution Control Board, Government of India, Ministry of Environment, Forest and Climate Change. As on date of this Draft Red Herring Prospectus, Company is in process of complying with those terms in order to obtain Consent to Establish from Madhya Pradesh Pollution Control Board.

Requirement of Power:

Our Company meets its current power requirements for manufacturing facilities by purchasing electricity from Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited (MPPKVVCL). It has sanctioned 124KVA power load to the company. For the proposed facility, we will obtain another connection of 124 KVA from 33 KVA high tension line from MPPKVVCL and double the capacity of existing power connection from 124 KVA to 248 KVA by adding necessary transformer and cable for uninterrupted power supply. Necessary application will be filed and other formalities to take new connection will be completed in due course of time.

Requirement of Water:

We require ample water for our manufacturing activities. Company will fulfill its water requirements from supplies by own tube well and by Madhya Pradesh Audyogik Kendra Vikas Nigam and by procuring the same from Third Party via Tankers.

Requirement of Raw Material:

We will be requiring S-benzoylthiamine O-monophosphate, Phosphoric acid, Acetone, 4-Propyl Sulfanyl Benzene-1, 2-Diamine, Ammonium salt of Methyly-N-Cyano Carbamate, Methanol, Niacin, Epichlorohydrin, Theophylline as raw materials for manufacturing Benfotiamine, Albendazole, Xanthinol Nicotiate at proposed facility. We import raw materials majorly from China and Belgium. We also source it through domestic markets.

Proposed Products:

The bulk drugs are manufactured on the basis of Indian Pharmacopoeia (IP), British Pharmacopoeia (BP), US Pharmacopoeia (USP) and Japanese Pharmacopoeia (JP) standards. These Pharmacopoeias are universally accepted "standard" for manufacture of standardized basic drugs. The orders placed by

the formulation companies are based on different pharmacopoeia as explained above. We intend to manufacture following products at proposed facility:

Sr. No.	Name of API or API Intermediate	Pharmacopoeia	CAS No.	Raw Materials	Application
1	Benfotiamine	IHS	22457-89-2	S-benzoylthiamine O-monophosphate, phosphoric acid, Methanol, Acetone	Diabetic Neuropathy and Vitamin B1 deficiency
2	Albendazole	IP, BP, USP	54965-21-8	4-Propyl Sulfanyl Benzene-1, 2-Diamine, Ammonium salt of Methly-N-Cyano Carbamate, Methanol	Anti-helminthic
3	Xanthinol Nicotiate*	IHS	437-74-1	Niacin, Epichlorohydrin, Theophylline	Vasodilator

*We have started manufacturing Xanthinol Nicotiate in the FY 2018-19 due to its demand. We will increase its manufacturing in proposed facility.

In the proposed facility, we intend to manufacture existing as well as proposed products depending on their market demand and feasibility.

1) BENFOTIAMINE

Benfotiamine (rINN, or S-benzoylthiamine O-monophosphate) is a synthetic S-acyl derivative of thiamine (vitamin B1). Benfotiamine is a relative of the vitamin Thiamine (B1) that appears to have a therapeutic role in pain reduction and diabetic complications (neuropathies and nephropathies); confers bioavailable Vitamin B1 after oral ingestion. It is marketed as a dietary supplement in most of the developed world, and as a pharmaceutical drug in some countries for treating diabetic neuropathy

Benfotiamine is primarily marketed as an antioxidant dietary supplement. In some countries it is marketed as a drug to treat diabetic neuropathy; clinical trials results are mixed, finding it mildly useful or no different from placebo. Benfotiamine is more bioavailable than thiamine salts, providing higher levels of thiamine in muscle, brain, liver, and kidney.

Benfotiamine is a synthetic version of thiamine, also known as vitamin B1, which is essential for many of the body's functions including strengthening the immune system and protecting the brain. Benfotiamine is a synthetic S-acyl Vitamin B1 analogue; its chemical name is S-benzoylthiamine O-monophosphate. Benfotiamine is a lipid derivative of thiamine vitamin. It has very low solubility in water or other aqueous solvents.

Manufacturing Process:

Step 1- Synthesis of Thiamine Monophosphate Chloride

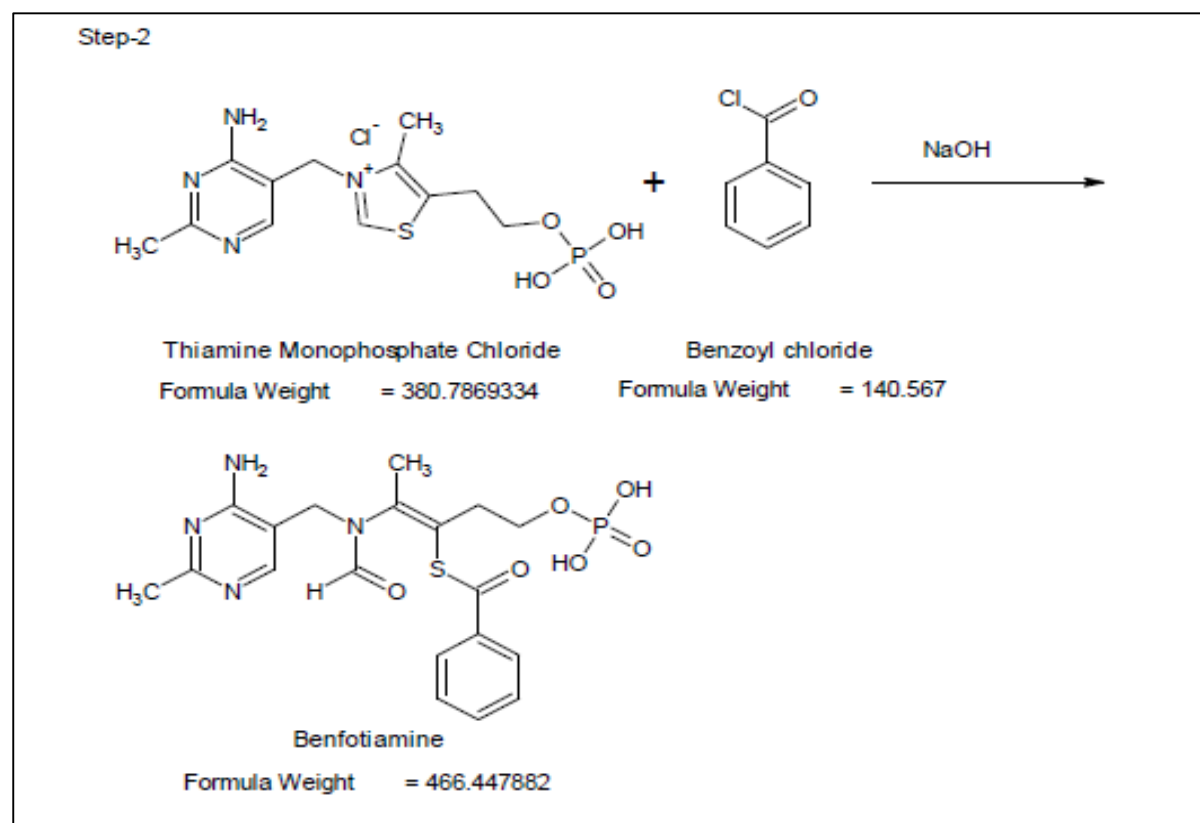
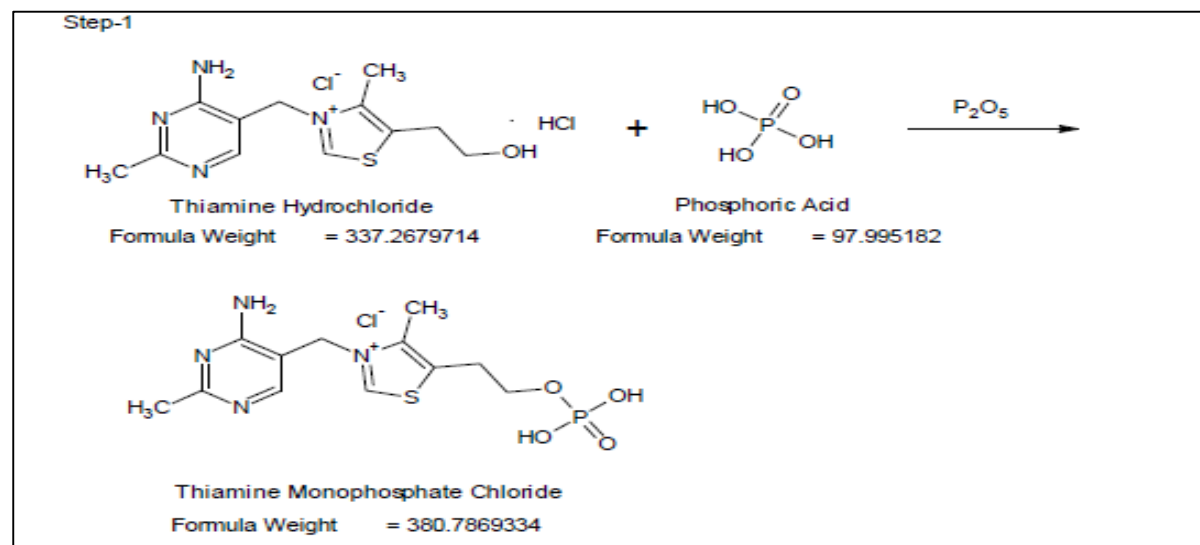
Phosphoric acid is charged into the reactor and cooled down to 0-50°C. Phosphorus Pentoxide is added lot wise into it and reaction mass is stirred for 1 hour. Further, Thiamine Hydrochloride is added into it. HCl gas is generated through scrubber. The reaction mass is stirred for 2 hours. Water is added and reaction mass is further stirred for 1 hour. Tributyl amine and chloroform are added into it and stirred for 30 minutes. The stirring is stopped and both Aqueous and organic layers are separated. Organic layer is distilled out to recover firstly chloroform and then Tributyl amine. Aqueous layer is charged

into the reactor and water under vacuum is distilled out. Solid obtained is then centrifuged. The wet cake is allowed to dry in dryer. The dried product is collected as Thiamine Monophosphate Chloride.

Step 2 - Synthesis of Benfotiamine

Thiamine Monophosphate Chloride and sodium hydroxide solution are charged into vessel and cooled down to 15-20°C. Further, benzoyl chloride is added into it and reaction mass is stirred. After completion of reaction, concentrated HCl is added to adjust pH 4 to 5 and reaction mass is stirred for 2 hrs. The reaction mass is Centrifuged and wet cake is charged in reactor. Further, methanol is added into it and reaction mass is stirred for 1 hour. The reaction mass is Centrifuged and the wet cake is allowed to dry in dryer. The dried product is collected as Benfotiamine.

Reaction Scheme for Benfotiamine



2) ALBENDAZOLE

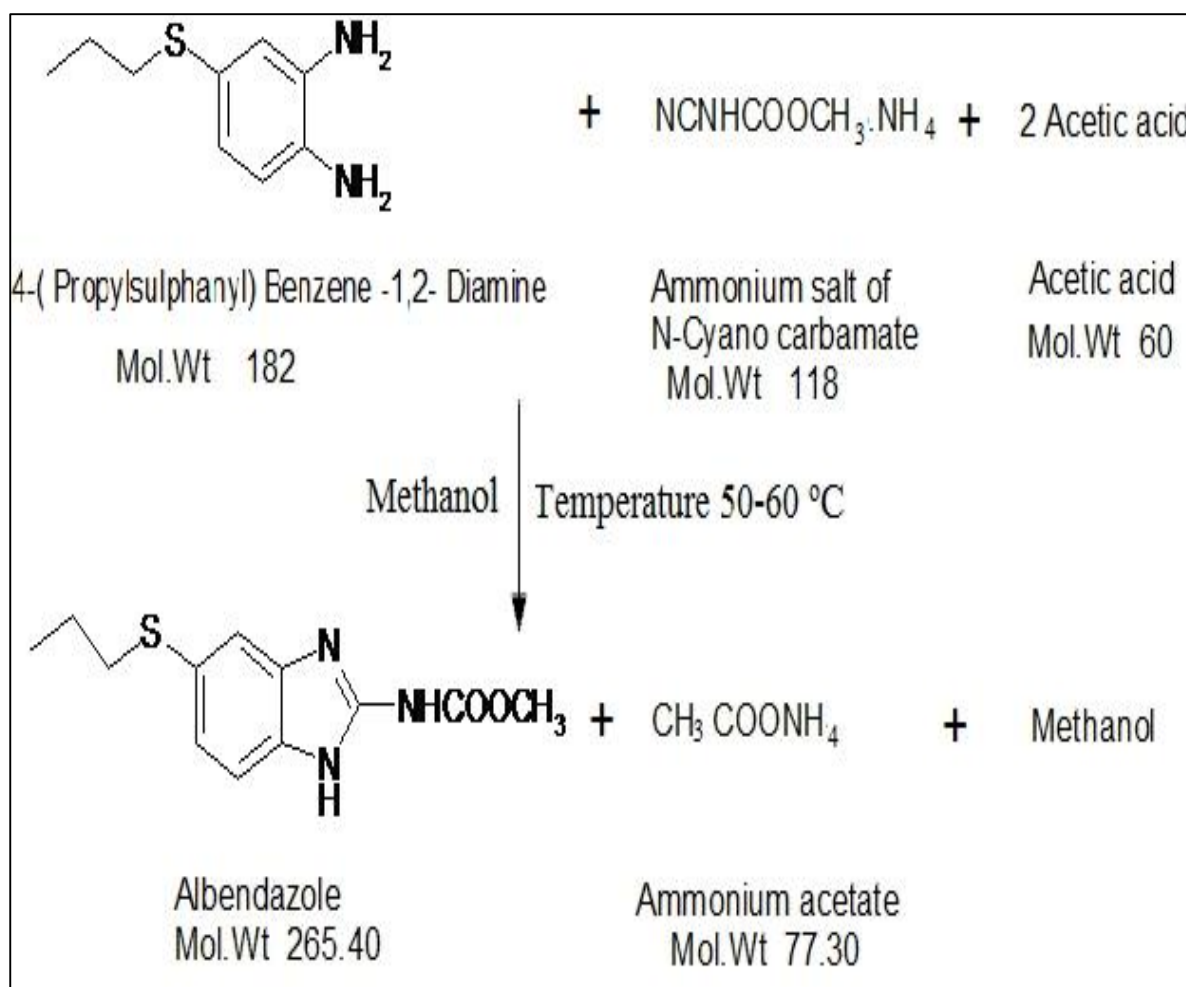
Albendazole, also known as albendazolum, is a medication used for the treatment of a variety of parasitic worm infestations. Albendazole is an anthelmintic or anti- worm medication. It prevents newly hatched insect larvae (worms) from growing or multiplying in your body. Albendazole is used to treat certain infections caused by worms such as pork tapeworm and dog tapeworm. It is useful for giardiasis, trichuriasis, filariasis, neurocysticercosis, hydatid disease, pinworm disease, and ascariasis, among others.

Manufacturing Process:

4-(Propyl Sulfanyl) Benzene-1, 2-Diamine and Ammonium salt of Methyl-N-Cyano Carbamate is charged in Methanol at ambient temperature in the Reactor. The reaction mass is stirred for 20-30 minutes and Acetic Acid is added. The reaction mass is heated to reflux and maintained for 3-5 hours. After completion of reflux the reaction mass is cooled to ambient temperature and centrifuged. The product is washed with Methanol and spin dried. The wet product unloaded from centrifuge and dried in dryer to get dry Albendazole. Dry Albendazole tested and packed in Fiber/HDPE container as per the requirement of the customer.

Mother liquor is subjected to distillation to recover Methanol. The concentrate reaction mass is cooled and filtered to get Ammonium Acetate, which is sold to recycler. The solvent residue is dried and sends to authorized recycler.

Reaction Scheme of Albendazole:



3) XANTHINOL NICOTINATE

Xanthinol is a drug prepared from theophylline used as a vasodilator. It is most often used as the salt with niacin (nicotinic acid), known as Xanthinol Nicotinate. This medication is a vasodilator, prescribed for long term memory disorders and lack of concentration.

Manufacturing Process:

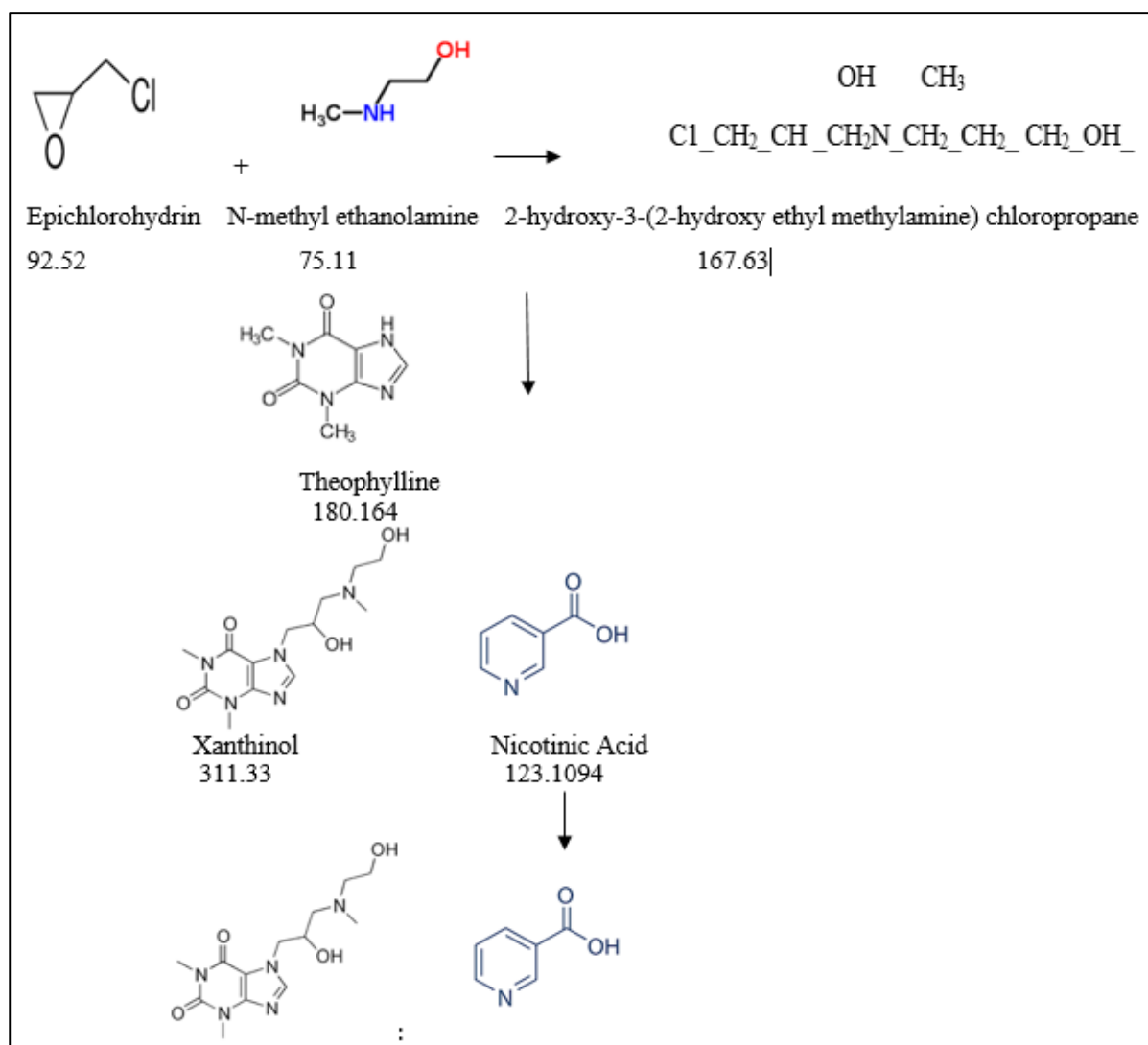
Epichlorohydrin is charged in a SS reactor and 3-4 times methanol is added to it. The material is cooled to below 20°C and N-methyl ethanol amine is slowly added to it. After complete addition, the reaction mass is maintained under agitation till reaction completion.

Caustic solution is charged in the reaction material, followed by addition of Methanol and calculated quantity of Theophylline. The reaction material is maintained under reflux at 60-65°C for 8-10 hours and then filtered.

The filtrate is again charged in a clean reactor followed by lot wise addition of nicotinic acid. After complete addition of nicotinic acid, the reaction material is again refluxed for 3-4 hours. After reaction completion mass is chilled below 10°C and centrifuged to obtain crude Xanthinol Nicotinate.

The crude product is dried at 60-65°C and then purified in a suitable solvent. The pure product is dried, tested to its required specification and then packed in HDPE/Fiber drums as per the requirement of the customer.

Reaction Scheme of Xanthinol Nicotinate



Quality Control Equipments:

For ensuring quality control & quality assurance and to have research & development facilities, we intend to place latest testing equipments such as High Performance Liquid Chromatography (HPLC), Gas Chromatography (GC), Ultra Visible Spectroscopy (UV), Infra-Red Spectroscopy, Photo Stability Chamber, Stability Chamber, Polari meter, Biological Oxygen Demand Incubator (BOD), Bacteria Logical Incubator, Auto Clave, Laminar Air Flow, Melting Point Apparatus, Carl Fischer Apparatus, Potentio Meter, Laboratory Oven and Electronic Weighing Balances etc. at proposed facility.

SWOT ANALYSIS:

Strengths <ul style="list-style-type: none">• Experienced Management• Multipurpose Manufacturing Plant• Low lab to plant turnaround time	Threats <ul style="list-style-type: none">• Increasing Competition• Stringent Pollution Control Regulations• Foreign Currency Fluctuations
Weaknesses <ul style="list-style-type: none">• Working Capital Intensive Business• Space limitation for further growth• Currently not into niche API products	Opportunities <ul style="list-style-type: none">• Going for High Value products• Exploring Export Market• Achieving Scale of Business Operations

CAPACITY AND CAPACITY UTILISATION:

Our Company majorly deals into manufacturing of API's & Intermediates for Pharmaceutical Industrial use. The production and utilisation capacities of our Company for these products for the past three years are set forth in the following table:

Details of capacity utilization- Product-wise utilization:

Product Category	Capacity Utilization		
	2018-19	2017-18	2016-17
API and API Intermediates			
Installed Capacity (MT Per Year)	300.00	300.00	300.00
Actual Production (MT Per Year)	146.85	195.32	201.03

Notes:

- 1) Our manufacturing facility is a multipurpose plant whereby various APIs can be manufactured at a given point of time. There are several products in API segment. With little modification and balancing equipments, the plant can switch from one product to other product easily.
- 2) The abovementioned Capacity Utilisation includes capacity utilised for manufacturing of APIs such as Allopurinol, Alprazolam, Disulfiram, Etamsylate, Mefenamic Acid, Nitazoxanide, Propranolol HCL, Tinidazole, Baclofen etc. The product wise installed capacity is not ascertainable as quantum of output and time required for the same varies from one product to another.
- 3) The installed capacity as mentioned here is as per the Information Memorandum submitted with District Trade and Industries Centre, Indore.
- 4) We get the job work done for two products i.e. Ornidazole and Guaifenesin from Univive Healthcare Private Limited. The same is not included here for calculating capacity utilisation.
- 5) The above figures reflects tonnage wise lesser production than its installed capacity. However the capacity is being utilised to its optimum level. The quantity of production depends upon the product being manufactured. Certain products undergo 2-3 stages of manufacturing whereas certain products undergo 4-5 or more stages in manufacturing, thereby taking more time with lesser quantity of production. Similarly, value of product also varies depending upon product price ranging from Rs 100/- to Rs 5,000/- per kg or more. We are carrying out production by balancing all the factors.

LIST OF MAJOR PLANT AND MACHINERY:

As on date of this Draft Red Herring Prospectus, we have following major Plant and Machineries at our Manufacturing facilities:

Sr.No.	Plant & Machinery	Usage	Quantity
1.	SS Reactor	For performing reaction	09
2.	Receiver	For collection of liquid/solvent	14
3.	Reactor Glass Lined	For performing reaction	03
4.	Syntax vessel, agitator & coil	For storing solvent, reaction mass or oil	03
5.	Centrifuge	For centrifugation	06
6.	Nutche Filter	For filtration	01
7.	Pressure Filter	For filtration	01
8.	Sparkler Filter	For filtration	03
9.	Tray Drier	For drying of material	48
10.	Weighing Balance	For weighing of material	11
11.	Multimill	For milling in order to achieve a desired size of particle of product.	02
12.	Blender	For Blending different batches of same product in order to achieve a homogeneous material	01
13.	SS Bowl	For Blending different batches of same product in order to achieve a homogeneous material	01
14.	Sifter	For sifting an individual batch to achieve a homogeneous particles.	02
15.	Hot water tank	For storing hot water	01
16.	ML Tank	For collection of mother liquor	06
17.	Ammonia Liquor Vessel	For storing ammonia	04
18.	Condenser	For condensation of reaction mass	11
19.	Filter press	For filtration	01

We are also well equipped with the other required plant and machineries in order to handle business operations smoothly. Also, as on date of this Draft Red Herring Prospectus, Our Company does not have any second hand machinery.

COLLABORATIONS/ TIE UPS/ JOINT VENTURES:

As on date of this Draft Red Herring Prospectus, our Company has not entered into any technical or other Collaboration / Tie Ups / Joint Ventures.

EXPORT AND EXPORT OBLIGATIONS:

Export obligations exist in respect of advance licenses obtained. Following are Advance licenses in which Export Obligation Discharge Certificate (EODC) has not been received as on date of this Draft Red Herring Prospectus.

License No.	Date of Issue	Export Obligation (USD)	Export Obligation (INR Lacs)	Duty Saved (INR Lacs)	Outstanding Export Obligation (INR Lacs)	Export Obligation Period
5610004842/2/03/00	February 22, 2016	29,900	19.34	6.33	Nil	(24 Months) February 21, 2018
5610004913/2/03/00	May 23, 2016	52,411	34.64	4.58	0.12	(24 Months) May 22, 2018
5610005289/2/03/00	January 02, 2018	53,401	33.75	1.80	2.08	(18 Months) July 02, 2019

5610005354/ 2/03/00	February 27, 2018	1,07,398	67.50	2.11	Nil	(18 Months) August 27, 2019
5610005629	June 04, 2019	1,12,230	78.00	0	Nil	(12 Months) June 04, 2020

HUMAN RESOURCES:

We believe that our employees are the Key contributors to our business success. We focus on training and retaining the employees. We look for best possible talent with specific qualifications, interests, experience and background. We train our employees on a regular basis to increase the level of operational excellence, improve productivity and maintain compliance standards on quality and safety.

As on August 31, 2019 we have 72 employees at Manufacturing Facility and Registered Office. These employees look after our manufacturing operations including production, quality controls, technical services, stores and administration and also marketing, accounting, secretarial and other functions. Apart from these we also use contract labour services and employ temporary labours on need basis.

Department wise bifurcation of our employees are as under:-

Department	No. of Employees
Finance Department	2
Human Resources Department	1
Sales & Marketing Department	1
Purchase & Procurement Department	2
Legal & Compliance Department	1
Quality Control, Assurance & R&D Department	7
Production Department	28
Employees on contractual Basis	31
Total Employees	73

COMPETITION:

Our Company operates in the pharmaceutical sector which faces competition from domestic as well as international players. Competition emerges from both organized and unorganized sector. With the global demand for pharmaceutical solutions, there is a growth in the competition level amongst the drug companies to introduce drugs to the market in a much faster and more cost effective manner. API sourcing is often a way to fast track these opportunities. The primary competitive factors consist of quality, price, size of product portfolio and customer service. Moreover, as we seek to diversify into new geographical areas globally, we may face competition local companies, multinational corporations and companies from other emerging markets operating in such markets. We intend to continue competing vigorously to capture more market share and manage our growth in an optimal way.

SALES AND MARKETING:

The efficiency of the sales and marketing network is critical to success of our Company. Our success lies in the strength of our relationship with the clients who have been associated with our Company. Our team through their experience and good rapport with these clients owing to timely and quality delivery of products plays an instrumental role in creating and expanding a work platform for our Company. To get repeat orders from our customers, our team having adequate experience and competencies, regularly interact with them and focus on gaining an insight into the additional needs of customers.

TOP 5 CUSTOMERS:**Our top 5 customers for the FY 2018-19:-**

(Amount in Rs. Lakhs)

Sr. No.	Customer Name	Name of State	Amount	% of Total Revenue
1	Sneha Medicare Pvt. Ltd.	Maharashtra	375.00	12.15%
2	Aquatic Remedies Ltd.	Maharashtra	273.70	8.87%
3	Rajshi Farma Pvt. Ltd. Haridwar	Uttarakhand	265.40	8.60%
4	Medley Pharmaceuticals Ltd.	Jammu	219.87	7.12%
5	Monarch Pharma Chem	Maharashtra	159.15	5.16%

TOP 5 SUPPLIERS:**Our top 5 Suppliers for the FY 2018-19:-**

(Amount in Rs. Lakhs)

Sr. No.	Suppliers Name	Name of Country/ State	Amount	% of Total Purchase
1	Zhejiang chemicals Import & Export Corporation	China	380.87	21.71%
2	Herb and Pharma Enterprise	Madhya Pradesh	372.64	21.24%
3	Univive Healthcare Private Limited	Madhya Pradesh	178.02	10.15%
4	Chevron Phillips Chemicals NV	Belgium	106.10	6.05%
5	Hubei Hongyuan Pharma Technology Co. Limited	China	102.71	5.85%

UTILITIES & INFRASTRUCTURE FACILITIES:**Infrastructure Facilities:**

Our registered office and manufacturing facilities are well equipped with computer systems, internet connectivity, other communications equipment, security, drainage, lighting, sanitation, emergency services and other facilities, which are required for our business operations to function smoothly.

Power:

Our Company meets its power requirements for manufacturing facilities by purchasing electricity from Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited (MPPKVVCL). It has sanctioned 124KVA power load to the company. Further, company has DG set having capacity of 82.5KVA which is required to run manufacturing activities in case of absence of power.

Water:

We require ample water (Approximately 25000 Ltr per day) for various manufacturing activities. We source our water requirements from our own tube well and by procuring the same from Third Party via Tankers. We also source water from Madhya Pradesh Audyogik Kendra Vikas Nigam.

Fuel:

We require fuels such as diesel and Furnace oil for our manufacturing processes. We source the same through local vendors.

Fire Hydrant:

Manufacturing facility has Fire Hydrant Systems including all types of Fire Extinguishers, CO2 blanketing system in its entire premises to control the fire hazard. It has underground water tank facility of 24KL as well as overhead water tank facility of 7KL.

Environment, Health and Safety:

In the existing facility the production and fire prone area, all electrical fittings are flameproof to avoid fire hazard. Safety Valves provided to reaction vessels and distillation units wherever required.

Environmental requirements are incorporated into the plant design right from the preliminary stage of a process. The Effluent Water Treatment Plants are set up as per the guidance of State Pollution Control Board. Air Scrubbers, Dust Filters are in place & well maintained. The effluent discharge is achieved through various processes of treatment. The water is recycled and used in the plant itself for various other uses like cooling tower, washing etc. The excess water is discharged to common ETP.

INSURANCE:

Our Company has insurance coverage which we consider reasonably sufficient to cover all risks associated with our operations and to cover our assets, risks and liabilities which we believe is in accordance with the industry standards. We have Standard Fire & Special Perils Policy, Fire Floater Policy, Machinery Insurance Policy, Electronic Equipments Insurance Policy, Marine Cargo Open Policy, Motor vehicle policies etc. for our assets at our registered office and manufacturing facilities. Our policies are subject to customary exclusions and customary deductibles. We constantly evaluate the risks in an effort to be sufficiently covered for all known risks. We will continue to review our policies to ensure adequate insurance coverage is maintained.

Sr. No.	Policy No.	Name of the Insurer	Type of Policy	Assets Insured	Sum Assured (Amount Rs. In Lakhs)	Policy	
						From	To
1	450800111901 00000363	The New India Assurance Company Limited	Standard Fire & Special Perils Policy	Building, Plant, Machinery & Accessories, Stocks and Stock in Process at Manufacturing Facility	447.50	June 03, 2019	June 02, 2020
2	450800111903 00000016	The New India Assurance Company Limited	Fire Floater Policy including Earthquake Cover	Storage of Category I Hazardous Goods at Manufacturing Facility, job worker premises and warehousing facility	700.00	June 04, 2019	June 03, 2020
3	450800441951 00000010	The New India Assurance Company Limited	Machinery Insurance Policy	Plant & Machineries at Manufacturing Facility such as Pressure Reaction Vessels, Chilling Plants, Transformers, Dryers etc.	96.02	June 04, 2019	June 03, 2020
4	450800441958 00000010	The New India Assurance Company Limited	Electronic Equipments Insurance Policy	Electronic Equipments at Manufacturing Facility such as Stability Chambers, Spectrometer, High Performance Liquid Chromatographer etc.	85.55	June 04, 2019	June 03, 2020
5	450800211902 00000013	The New India Assurance Company Limited	Marine Cargo Open Policy	Transit Policy for transportation of Raw material & Finished Goods (Drugs, Chemicals,	2500.00	June 01, 2019	May 31, 2020

Sr. No.	Policy No.	Name of the Insurer	Type of Policy	Assets Insured	Sum Assured (Amount Rs. In Lakhs)	Policy	
						From	To
				Solvent) from anywhere in India to anywhere in India			

Also, Company has Motor Vehicle Policies such as Two Wheeler Enhancement Cover Policy, Private Car Enhancement Cover Policy, Commercial Vehicle Package Policy etc. for Two Wheeler and Four Wheeler Vehicles.

LAND AND PROPERTY:

We have our properties located at following:

Owened Properties:

The details of our owned properties are as follows:

Sr. No.	Address of the Property	Area	Current Usage
1	No. 117-B, Bansi Trade Centre, Near Janjirwala Square, Indore - 452 003, Madhya Pradesh, India	512 Sq. ft.	City Office

Leased Properties:

The details of our leased properties are as follows:


Sr. No.	Address of the Property	Lessor	Area	Consideration	Lease Period	Current Usage
1.	Plot No. 84 A, Sector-E, Sanwer Road Industrial Area, Village Narval, Tehsil Indore - 452 015, Madhya Pradesh, India	Governor of Madhya Pradesh acting through General Manager, District Industries Centre, Indore, Madhya Pradesh	930 Square Meter	Rs. 7,700 + Annual Ground Rent of Rs. 47	For a period of 99 years commencing from May 12, 1996 to May 11, 2086	Registered Office and Manufacturing Facility
2.	Plot No. 84 B, Sector-E, Sanwer Road Industrial Area, Village Narval, Tehsil Indore - 452 015, Madhya Pradesh, India	Governor of Madhya Pradesh acting through General Manager, District Trade & Industries Centre, Indore, Madhya Pradesh	900 Square Meter	Rs. 7,456 + Annual Ground Rent of Rs. 47	For a period of 99 years commencing from May 27, 1992 to May 26, 2091	Manufacturing Facility
3.	Plot No. 85 A & 85 B, Sector-E, Sanwer Road Industrial Area, Village	Governor of Madhya Pradesh acting through General Manager, District Trade &	1800 Square Meter	Rs. 55,435 +	For a period of 29 years commencing from June 7, 2007 to June 6, 2036	Proposed Manufacturing Facility

Sr. No.	Address of the Property	Lessor	Area	Consideration	Lease Period	Current Usage
	Narval, Tehsil Indore - 452 015, Madhya Pradesh, India	Industries Centre, Indore, Madhya Pradesh		Annual Ground Rent of Rs. 495		
4.	Plot No. 86 B, Sector-E, Sanwer Road Industrial Area, Village Narval, Tehsil Indore - 452 015, Madhya Pradesh, India	Governor of Madhya Pradesh acting through General Manager, District Trade & Industries Centre, Indore, Madhya Pradesh	1043 Square Meter	Rs. 30,851 + Annual Ground Rent of Rs. 287	For a period of 29 years commencing from August 25, 2007 to August 24, 2036	Proposed Manufacturing Facility
5.	Plot No.72 B, Sector-E, Sanwer Road Industrial Area, Village Narval, Tehsil Indore - 452 015, Madhya Pradesh, India	Governor of Madhya Pradesh acting through General Manager, District Trade & Industries Centre, Indore, Madhya Pradesh	720 Square Meter	Rs. 20,097 + Annual Ground Rent of Rs. 198	For a period of 30 years commencing from June 15, 2006 to June 14, 2036	Warehouse Facility

INTELLECTUAL PROPERTY RIGHTS:

Trademarks:

Our Company has obtained/applied registration for the following trademark

Sr. No.	Trademark	Trademark Type	Class	Applicant	Application No.	Date of Application	Validity/ Renewal	Registration Status
1.		Device	5	Unidrugs Innovative Pharma Technologies Limited	3954998	September 25, 2018	September 25, 2018	Registered
2	UNIDRUG	Word	5	Unidrugs Innovative Pharma Technologies Limited	3954999	September 25, 2018	-	Objected

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of the important laws, relevant regulations and policies as prescribed by the Government of India and other regulatory bodies which are pertinent to our business as a player in business of manufacturing of Active Pharmaceutical Ingredients and Intermediates. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies 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 advice. Taxation statutes such as the I.T. Act, and applicable labour laws, environmental laws, contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

For the purpose of business activities undertaken by our Company, our Company is required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see chapter on “Government and Other Approvals” on page 223 of this Draft Red Herring Prospectus.

A. INDUSTRY RELATED LAWS/REGULATIONS

The Micro, Small and Medium Enterprise Development Act, 2006 (“MSMED Act”)

The MSMED Act seeks to provide for the promotion and development along with facilitating and enhancing competition among micro, small and medium enterprises. The MSMED Act inter-alia empowers the Central Government to classify by notification, any class of enterprises including a company, a partnership, firm or any other undertaking engaged in the manufacture or production as specified in the first schedule to the Industries (Development and Regulation) Act, 1951, as follows:

- (i) A micro enterprise, where the investment in plant and machinery does not exceed ₹ 25.00 Lakhs;
- (ii) A small enterprise, where the investment in plant and machinery is more than ₹ 25.00 Lakhs but does not exceed ₹ 500.00 Lakhs; or
- (iii) A medium enterprise, where the investment in plant and machinery is more than ₹ 500.00 Lakhs but does not exceed ₹ 1,000 Lakhs.

The MSMED Act also stipulates that any person who intends to establish, a micro or small enterprise or a medium enterprise engaged in rendering of services, may at his discretion and a medium enterprise engaged in the manufacture or production of goods as specified hereinabove, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority.

The Drugs and Cosmetics Act, 1940 (“DCA”) and the relevant rules

The DCA regulates the import, manufacture, distribution and sale of drugs and cosmetics. In view of the provisions of the DCA, no person can import, manufacture, distribute, stock and sell any drugs and cosmetics, except under the license granted for respective operations by the authority notified under the DCA. The DCA prescribes the standards for purity, identity and strength of drugs and cosmetics while also prohibiting the import of certain categories of drugs and cosmetics. The DCA mandates that every person holding a license must keep and maintain such records, registers and other documents as may be prescribed which may be subject to inspection by the relevant authority. The DCA provides for the Ayurvedic Siddha and Unani Drugs Technical Advisory Board to advise the Central and State Governments on technical matters. The legislation provides the procedure for testing and licensing of new drugs. These procedures involve obtaining a series of approvals for different stages at which the drugs are tested, before the Drug Controller General of India (“DCGI”) grants the final license to allow the drugs to be manufactured and marketed. At the first instance, an application is made to the DCGI, an authority established under the DCA. The DCGI issues a no objection certificate upon examining the medical data, the chemical data and the toxicity of the drug. This allows the drug to move on to the next stage of testing at the central drug laboratories. At the central drug

laboratories, the drug is subjected to a series of tests for its chemical integrity and analytical purity and if it meets the standards required by the authority, the authority issues a certificate in that respect.

The Drugs and Cosmetics Rules, 1945 ("DC Rules")

The Drugs and Cosmetics Rules, 1945 ("DC Rules") have been enacted to give effect to the provisions of the DCA to regulate the manufacture, distribution and sale of drugs and cosmetics in India. The DC Rules prescribe the procedure for submission of report to the Central Drugs Laboratory, of samples of drugs for analysis or test, the forms of Central Drugs Laboratory's reports thereon and the fees payable in respect of such reports. The DC Rules also prescribe the drugs or classes of drugs or cosmetics or classes of cosmetics for the import of which a license is required, and prescribe the form and conditions of such licenses, the authority empowered to issue the same and the fees payable thereof. The DC Rules provide for the cancellation or suspension of such license 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 license is issued is not complied with. The DC Rules further prescribe the manner of labelling and packaging of drugs. The DC Rules lay down the process mechanics and guidelines for clinical trial, including procedure for approval for clinical trials. Clinical trials require obtaining of free, informed and written consent from each study subject. The DC Rules also provide for compensation in case of injury or death caused during clinical trials. The Central Drugs Standard Control Organization has issued the guidance for industry for submission of clinical trial application for evaluating safety and efficacy, for the purpose of submission of clinical trial application as required under the DC Rules. The Indian Council of Medical Research has issued the Ethical Guidelines for Biomedical Research on Human Participants, 2006 which envisages that medical and related research using human beings as research participants must, necessarily, inter alia, ensure that the research is conducted in a manner conducive to, and consistent with, their dignity, well-being and under conditions of professional fair treatment and transparency. Further such research is subjected to evaluation at all stages of the same.

The Essential Commodities Act, 1955 ("ECA")

The ECA provides for the control of the production, supply and distribution of, and trade and commerce in certain commodities. The ECA gives powers to the Government amongst others, to control production, supply and distribution of essential commodities for maintaining or increasing supplies and for securing their equitable distribution and availability at fair prices. Section 3 of the ECA confers wide powers on the Central Government to, inter alia, regulate the production or manufacture of any essential commodity, control the price at which any essential commodity may be bought or sold (in accordance with the directions issued by the Central Government). 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 such as food grains, edible oils, pulses kerosene, sugar and drugs. The Collector of the District or the concerned authority has the power to confiscate the commodity if it contravenes the order.

The Drugs Price Control Order, 2013 ("DPCO, 2013")

The DPCO, 2013 was issued by the Central Government in exercise of its powers under section 3 of Essential Commodities Act, 1955 thereby giving effect to the 2012 Policy. As per the provisions of the DPCO, 2013 the government may, in order to achieve adequate availability and to regulate the distribution of drugs, in cases of emergency or in the interest of the public, direct any manufacturer of any active pharmaceutical ingredient or bulk drug or formulation to increase the production and to sell such active pharmaceutical ingredient or bulk drug to such other manufacturer(s) of formulations and to direct formulators to sell the formulations to institutions, hospitals or any agency as the case may be. The DPCO, 2013 also lays down the formulae for calculation of ceiling prices and retail prices of drug formulation. Section 7 of the Essential Commodities Act, 1955 provides for the list of certain price-controlled drugs and the penalty for contravention of the provisions of the DPCO, 2013. The DPCO, 2013 also provides that when an existing manufacturer of a drug with dosages and strengths as specified in National List of Essential Medicines launches a new drug, such existing manufacturer

is required to apply for prior price approval of such new drug from the government. The DPCO, 2013 also prescribes certain instances in which case the provision of the DPCO, 2013 will not be applicable, for instances, in the event a manufacturer produces a new drug patented under the Indian Patent Act, 1970 through a product patent which has been developed through indigenous research and development, the DPCO, 2013 will not be applicable to such drug for a period of five years from the date of commencement of its commercial production in the country. These provisions are applicable to all scheduled formulations irrespective of whether they are imported or patented, unless they are exempted. However, the prices of other drugs can be regulated, if warranted in public interest.

National Pharmaceuticals Pricing Policy, 2012 (“2012 Policy”)

National Pharmaceuticals Pricing Policy, 1994 (“1994 Policy”) has been replaced by the drug policy of 2012 Policy and presently seeks to lay down the principles for pricing of essential drugs specified in the National List of Essential Medicines-2015 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. The 1994 Policy regulated the prices based on the economic criteria/market share principles. However, as per the 2012 Policy, the prices would be regulated based on the essential nature of the drugs. Further, the 2012 Policy will regulate the price of formulations only, through market-based pricing which is different from the earlier principle of cost based pricing. Accordingly, the formulations will be priced by fixing a ceiling price and the manufacturers of such drugs will be free to fix any price equal to or below the ceiling price.

The National List of Essential Medicines, 2015

The National List of Essential Medicines, 2015 has been introduced to replace the National List of Essential Medicines, 2011. This new list has added a total number of 160 medicines and has deleted 70 medicines, which now contains a total of 376 medicines. The essentiality of a medicine has been considered in terms of dosage form and strength.

Legal Metrology Act, 2009 (“L.M. Act”)

The L.M. Act governs the standards/units/denominations used for weights and measures as well as for goods which are sold or distributed by weight, measure or number. It also states that any transaction/contract relating to goods/class of goods shall be as per the weight/measurement/numbers prescribed by the L.M. Act. Moreover, the L.M. Act prohibits any person from quoting any price, issuing a price list, cash memo or other document, in relation to good or things otherwise than in accordance with the provisions of the L.M. Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transaction are contained in the Rules made by each State. The Act also provides for Legal Metrology (General) Rules, 2011, which may be followed for due compliance, if the respective State does not provide for Rules in this regard.

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

The Sales Promotion Act regulates the conditions of service of sales promotion employees and applies to pharmaceutical industry. It provides the conditions of appointment, leave and maintenance of registers and other documents of such employees. The Sales Promotion Act provides monetary penalties for breach of its provisions.

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 alleged to possess magic qualities and to provide matters connected therewith. In terms of the DMRA, advertisements include any notice, circular, label, wrapper or other document or announcement. It also specifies the ailments for which no advertisement is allowed and prohibits advertisements that misrepresent, make false claims or mislead. Further, the Drugs and Magic Remedies (Objectionable Advertisements) Rules, 1955 have been framed for effective implementation of the provisions of the DMRA.

The Pharmacy Act, 1948

The Pharmacy Act was enacted on March 4, 1948 by the Indian Parliament to regulate the profession and practice of pharmacy. The Pharmacy Act, 1948 provides for the Constitution and Composition of Central Pharmacy Council and State Pharmacy Council as well as the Registration of Pharmacists. The Pharmacy Council of India was constituted for framing and implementing the Education Regulations for minimum qualifications required under the Act for a person to get himself / herself registered as a pharmacist. The Pharmacy Council of India after due inspection gives approval to the institutions who conduct courses of Diploma in Pharmacy or Degree in Pharmacy. The Act provides for the constitution of state pharmacy councils for 117 the maintenance of Registers of Qualified Pharmacists and to prohibit the dispensing of medicine on the Prescription of a Medical Practitioner by the persons other than Registered Pharmacists.

Advance Authorization Scheme

Advance Authorization Scheme is a duty exemption scheme issued to allow duty free import of inputs, which are physically incorporated in export product (making normal allowance for wastage). In addition, fuel, oil, energy, catalysts which are consumed / utilized to obtain export product, may also be allowed. The DGFT, by means of Public Notice, may exclude any product(s) from the purview of Advance Authorization. Advance Authorizations are exempted from payment of basic customs duty, additional customs duty, education cess, antidumping duty and safeguard duty, if any. The facility of Advance Authorization shall also be available where some or all inputs are supplied free of cost to exporter by foreign buyer.

B. ENVIRONMENT RELATED REGULATIONS

Environment (Protection) Act, 1986 ("EP Act")

The main objective of this Act is to provide the protection and improvement of environment (which includes water, air, land, human being, other living creatures, plants, micro-organism and properties) and for matters connected therewith. The EP Act provides power to make rules to regulate environmental pollution, to notify standards and maximum limits of pollutants of air, water, and soil for various areas and purposes, prohibition and restriction on the handling of hazardous substances and location of industries. The Central Government is empowered to constitute authority or authorities for the purpose of exercising of performing such of the powers and functions, appoint a person for inspection, for analysis or samples and for selection or notification of environmental laboratories. Such person or agency has power to inspect or can enter in the premises or can take samples for analysis.

The Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the Central Pollution Control Board and the State Pollution Control Boards. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant State Pollution Control Board, which is empowered to establish standards and conditions that are required to be complied with. In certain cases, the State Pollution Control Board may cause the local Magistrates to restrain the activities of such person who is likely to cause pollution. Penalty for the contravention of the provisions of the Water Act include imposition of fines or imprisonment or both. The Central Pollution Control Board has powers, inter alia, to specify and modify standards for streams and wells, while the State Pollution Control Boards have powers, inter-alia, to inspect any sewage or trade effluents, and to review plans, specifications or other data relating to plants set up for treatment of water, to evolve efficient methods of disposal of sewage and trade effluents on land, to advise the State Government with respect to the suitability of any premises or location for carrying on any industry likely to pollute a stream or a well, to specify standards for treatment of sewage and trade effluents, to specify effluent standards to be complied with by persons while causing discharge of sewage, to obtain information from any industry and to take emergency measures in case of pollution of any stream or well. A central water laboratory and a state water laboratory have been established under the Water Act.

The Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

Pursuant to the provisions of the Air Act, any person, establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant State Pollution Control Board prior to establishing or operating such industrial plant. The State Pollution Control Board is required to grant consent within a period of four months of receipt of an application but may impose conditions relating to pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the State Pollution Control Board. The penalties for the failure to comply with the above requirements include imprisonment of up to six years and the payment of a fine as may be deemed appropriate. Under the Air Act, the Central Board for the Prevention and Control of Water Pollution has powers, inter alia, to specify standards for quality of air, while the State Board for the Prevention and Control of Water Pollution have powers, inter alia, to inspect any control equipment, industrial plant or manufacturing process, to advise the State Government with respect to the suitability of any premises or location for carrying on any industry and to obtain information from any industry.

Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2016 ("Hazardous Waste Rules")

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. Every occupier and operator of a facility generating hazardous waste must obtain approval from the relevant state pollution control board. The occupier is liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

Public Liability Insurance Act, 1991 ("Public Liability Act")

The Public Liability Act as amended imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandates 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 issuer.

National Environmental Policy, 2006

This Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of the National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation.

C. LABOUR RELATED REGULATION

Employees Provident Fund and Miscellaneous Provisions Act, 1952 (“EPF Act”)

Under the EPF Act, compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee’s provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee’s contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

Minimum Wages Act, 1948 (“MWA”)

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

Factories Act, 1948 (“The Factories Act”)

The Factories Act came into force on April 01, 1949 and extends to the whole of India, including Jammu and Kashmir. It has been enacted to regulate working conditions in factories and to ensure the provision of the basic minimum requirements for safety, health and welfare of the workers as well as to regulate the working hours, leave, holidays, employment of children, women, etc. It ensures annual leaves with wages, provides additional protection from hazardous processes, additional protection to women workers and prohibition of employment of children.

A “factory” is defined as “any premises...whereon ten or more workers are working or were working on

any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of power, or is ordinarily so carried on, or whereon twenty or more workers are working, or were 81 working on any day of the preceding twelve months, and in any part of which a manufacturing process is carried on without the aid of power, or is ordinarily so carried on...”. The main aim of the said Act is to ensure adequate safety measures and to promote the health and welfare of the workers employed in factories initiating various measures from time to time to ensure that adequate standards of safety, health and welfare are achieved at all the places.

Under the Factories Act, the State Government may make rules mandating approval for proposed factories and requiring licensing and registration of factories. The Factories Act makes detailed provision for ensuring sanitary conditions in the factory and safety of the workers and also lays down permissible working hours, leave etc. In addition, it makes provision for the adoption of worker welfare measures. The prime responsibility for compliance with the Factories Act and the rules thereunder rests on the —occupier, being the person who has ultimate control over the affairs of the factory.

Industrial Disputes Act 1947 (“ID Act”) and Industrial Dispute (Central) Rules, 1957

The Industrial Disputes Act and Rules lays down the machinery and procedure for investigation, settlement and resolution of Industrial disputes in what situations a strike or lock-out becomes illegal and what are the requirements for laying off or retrenching the employees or closing down the establishment. 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 workmen. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment.

Payment of Gratuity Act, 1972

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. The Payment of Gratuity Act, 1972 provides for payment of gratuity to employees employed in factories, shops and other establishments who have put in a continuous service of 5 (five) years, in the event of their superannuation, retirement, resignation, death or disablement due to accidents or diseases. The rule of 'five year continuous service' is however relaxed in case of death or disablement of an employee. Gratuity is calculated at the rate of 15 (fifteen) days' wages for every completed year of service with the employer.

The Maternity Benefit Act, 1961

The purpose of the Maternity Benefit Act, 1961 is to regulate the employment of pregnant women in certain establishments for certain periods and to ensure that they get paid leave for a specified period before and after childbirth, or miscarriage or confinement or medical termination of pregnancy. It inter alia provides for payment of maternity benefits, medical bonus and prohibits the dismissal of and reduction of wages paid to pregnant women. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

The Equal Remuneration Act, 1976 and Equal Remuneration Rules, 1976

The Constitution of India provides for equal pay for equal work for both men and women. To give effect to this provision, the Equal Remuneration Act, 1976 was implemented. The Act provides for payment of equal wages for equal work of equal nature to male or female workers and for not making discrimination against female employees in the matters of transfers, training and promotion etc. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

The Employees Compensation Act, 1923 ("EC Act")

EC Act provides for payment of compensation to injured employees or workmen by certain classes of employers for personal injuries caused due to an accident arising out of and during the course of employment. Under the EC Act, the amount of compensation to be paid depends on the nature and severity of the injury. There are separate methods of calculation or estimation of compensation for injury sustained by the employee. The employer is required to submit to the Commissioner for Employees' Compensation a report regarding any fatal or serious bodily injury suffered by an employee within seven days of death\ serious bodily injury.

Employees State Insurance Act, 1948 ("ESI Act")

The ESI Act provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. It shall apply to all factories (including factories belonging to the Government) other than seasonal factories.

Employers of factories and establishments covered under the ESI Act are required to pay contributions to the Employees State Insurance Corporation, in respect of each employee at the rate prescribed by the Central Government. Companies which are controlled by the Government are exempt from this requirement if employees receive benefits similar or superior to the benefits prescribed under the ESI Act. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”)

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, verbal or non-verbal 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 nonverbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee.

Child Labour Prohibition and Regulation Act, 1986

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

The Employee’s Pension Scheme, 1995

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

D. TAX RELATED LEGISLATIONS

The following is an indicative list of tax related laws that are applicable to our Company:

Income Tax Act, 1961

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its residential status and type of income involved. It provides for levy, administration, collection and recovery of Income Tax. Under Section 139(1) every Company is required to file its Income Tax Return for every Previous Year by 30th September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Fringe Benefit Tax, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

Value Added Tax (“VAT”)

VAT is a system of multi-point Levy on each of the purchases in the supply chain with the facility of set-off input tax on sales whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. VAT is based on the value addition of goods, and the related VAT Liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period. VAT is a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of services, and each state that has introduced VAT has its own VAT Act, under which, persons liable to pay VAT must register and obtain a registration number from Sales Tax Officer of the respective State.

Service Tax

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of 'taxable services', as specified in entry 39 defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in TR 6 challan by the 5th / 6th of the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, the Company is required to file a half yearly return in Form ST 3 by the 25th of the month immediately following the half year to which the return relates.

Central Sales Tax Act, 1956 ("CST")

The main object of this act is to formulate principles for determining (a) when a sale or purchase takes place in the course of trade or commerce (b) when a sale or purchase takes place outside a State (c) when a sale or purchase takes place in the course of imports into or export from India, to provide for levy, collection and distribution of taxes on sales of goods in the course of trade or commerce, to declare certain goods to be of special importance trade or commerce and specify the restrictions and conditions to which State Laws imposing taxes on sale or purchase of such goods of special importance (called as declared goods) shall be subject. CST Act imposes the tax on interstate sales and states the principles and restrictions as per the powers conferred by Constitution.

The Central Excise Act, 1944

The Central Excise Act, 1944 ("Central Excise Act") consolidates and amends the law relating to Central Duties of Excise on goods manufactured or produced in India. Excisable goods under the Act means goods specified in the Schedule to the Central Excise Tariff Act, 1985 as being subject to duty of excise. Factory means any premises, including the precincts thereof, wherein or in any part of which excisable goods are manufactured, or wherein or in any part of which any manufacturing process connected with the production of these goods being carried on or is ordinarily carried out. Under the Act a duty of excise is levied on all excisable goods, which are produced or manufactured in India as and at the rates, set forth in the First Schedule to the Central Excise Tariff Act, 1985.

Goods and Service Tax Act, 2017 (GST)

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by Centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the centre and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. It replaces following indirect taxes and duties at the central and state levels:

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise – goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of

goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

It is applicable on all goods except for alcohol for human consumption and five petroleum products.

Taxpayers with an aggregate turnover of Rs. 20 lakhs would be exempt from tax. The exemption threshold for special category of states like North-East shall be Rs. 10 lakhs. Small taxpayers with an aggregate turnover in preceding financial year upto Rs. 75 lakhs (50 lakhs in case of special category states) may opt for composition levy. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. There is a special rate of 0.25% on rough precious and semi-precious stones and 3% on gold. In addition, a cess of 15% or other rates on top of 28% GST applies on few items like aerated drinks, luxury cars and tobacco products.

Export and supplies to SEZ shall be treated as zero-rated supplies. Import of goods and services would be treated as inter-state supplies. Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen digits registration number known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple location in a state, a separate application will be made for registration of each and every location. The registered assessee are then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

E. STATE RELATED LEGISLATIONS

Madhya Pradesh Goods and Services Tax Act, 2017

Madhya Pradesh Goods and Services Tax Act, 2017 provides for the levy and collection of GST on intra-state supply of goods or services or both by the state of Madhya Pradesh and the matters connected therewith or incidental thereto. GST-registered businesses are allowed to claim Input tax credit to the value of GST they paid on purchase of goods or services as part of their normal commercial activity. Administrative responsibility rests with a single authority to levy tax on goods and services.

Madhya Pradesh Shops and Establishments Act, 1958

The legislation is applicable to establishments in the State of Madhya Pradesh. It regulates the working and employment conditions of the workers employed in shops and establishments including commercial establishments, residential hotels, restaurants, eating houses, theatres, other places of public amusements or entertainment and other establishment, provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

Madhya Pradesh Weights and Measures (Enforcement) Act, 1959

An act to provide for the enforcement of standard weight and measures for the matters connected therewith. It regulates the correctness of commercial weight and measures and weighing and measuring instruments used in transaction for trade or commerce, the state government may cause to be prepared as may deem necessary, to be called the working standards.

The Madhya Pradesh Vritti Kar Adhiniyam, 1995

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such

employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrollment from the assessing authority.

F. GENERAL CORPORATE COMPLIANCE

The Companies Act 1956 and the Companies Act, 2013

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013. The Companies Act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e., a One-Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act.

Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole time director or manager. It provides the list of acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of the firm. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

G. ANTI-TRUST LAWS

Competition Act, 2002

An act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of agreements and Anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

The prima facie duty of the commission is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. The commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General he shall be punishable with a fine which may exceed to Rs. 1 lakh for each day during such failure subject to maximum of Rupees One Crore.

H. OTHER REGULATIONS

Property related laws

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company's operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, and Indian Easements Act, 1882.

In addition, regulations relating to classification of land may be applicable. Usually, land is broadly classified under one or more categories such as residential, commercial or agricultural. Land classified under a specified category is permitted to be used only for such specified purpose. Where the land is originally classified as agricultural land, in order to use the land for any other purpose the classification of the land is required to be converted into commercial or industrial purpose, by making an application

to the relevant municipal or town and country planning authorities. In addition, some State Governments have imposed various restrictions, which vary from state to state, on the transfer of property within such states. Land use planning and its regulation including the formulation of regulations for building construction, form a vital part of the urban planning process.

Various enactments, rules and regulations have been made by the Central Government, concerned State Governments and other authorized agencies and bodies such as the Ministry of Urban Development, State land development and/or planning boards, local municipal or village authorities, which deal with the acquisition, ownership, possession, development, zoning, planning of land and real estate. Each state and city has its own set of laws, which govern planned development and rules for construction (such as floor area ratio or floor space index limits). The various authorities that govern building activities in states are the town and country planning department, municipal corporations and the urban arts commission.

The Transfer of Property Act, 1882 (the “TP Act”)

The TP Act establishes the general principles relating to transfer of property in India. It deals with the various methods in which transfer of property including transfer of immovable property or any interest in relation to that property, between individuals, firms and companies takes place. The TP Act stipulates the general principles relating to the transfer of property including among other things identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. The TP Act also provides for the rights and liabilities of the vendor and purchaser, and the lessor and lessee in a transaction of sale or lease of land, as the case may be. The TP Act also covers provisions with respect to mortgage of property, Charge, lease, exchanges, gifts and actionable claims.

The Indian Registration Act, 1908

The Indian Registration Act, 1908 (the “Registration Act”) details the formalities for registering an instrument. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes, inter alia, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in the present or in future, any right, title or interest, whether vested or contingent, in immovable property of the value of Rs.100/- or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. The Registration Act also stipulates the time for registration, the place for registration and the persons who may present documents for registration. Any document which is required to be compulsorily registered but is not registered will not affect the subject property, nor be received as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance of a contract under the TP Act or as evidence of any collateral transaction not required to be effected by registered instrument), unless it has been registered.

Indian Stamp Act, 1899

Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable property. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Stamp Act. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state. Instruments chargeable to duty under the Stamp Act but which have not been duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments by certain specified authorities and bodies and imposition of penalties, for instruments which are not sufficiently stamped or not stamped at all. Instruments which have not been properly stamped can be validated by paying a penalty of five rupees, or when ten times the amount of the proper duty or deficient portion thereof exceeds five rupees, of a sum equal to ten times such duty or portion.

I. INTELLECTUAL PROPERTY LAWS

The Trademarks Act, 1999 (“Trademarks Act”)

Under the Trademarks Act, a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A ‘mark’ may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks (“the Registrar”), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

Designs Act, 2000 (“Designs Act”)

Industrial designs have been accorded protection under the Designs Act. A ‘design’ means only the features of shape, configuration, pattern, ornament or composition of lines or colour or combination thereof applied to any article whether two dimensional or three dimensional or in both forms, by any industrial process or means, whether manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye, but does not include any mode or principle or construction or anything which is in substance a mere mechanical device, and expressly excludes works accorded other kinds of protection like property marks, trademarks and copyrights. Any person claiming to be the proprietor of a new or original design may apply for registration of the same under the Act before the Controller-General of Patents, Designs and Trade Marks. On registration, the proprietor of the design attains a copyright over the same. The duration of the registration of a design in India is initially ten years from the date of registration, but in cases where claim to priority has been allowed the duration is ten years from the priority date. No person may sell, apply for the purpose of sale or import for the purpose of sale any registered design, or fraudulent or obvious imitation thereof.

Indian Patents Act, 1970

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

The Copyright Act, 1957

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

J. GENERAL LAWS

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986 are also applicable to the company.

K. FEMA REGULATIONS

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect

of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India

Foreign Trade (Development and Regulation) Act, 1992

The Development and Regulation of foreign trade by facilitating imports and exports from and to India. The Import-Export Code number and licence to import or export includes a customs clearance permit and any other permission issued or granted under this act. The Export and Import policy, provision for development and regulation of foreign trade shall be made by the Central Government by publishing an order. The Central Government may also appoint Director General of Foreign Trade (DGFT) for the purpose of Export-Import Policy formulation.

If any person makes any contravention to any law or commits economic offence or imports/exports in a manner prejudicial to the trade relations of India or to the interest of other person engaged in imports or exports then there shall be no Import Export Code number granted by Director-General to such person and if in case granted shall stand cancelled or suspended. Provision of search and seizure of Code of Criminal Procedure, 1973 shall apply to every search and seizure made under this Act. In case of appeals in a case the order made by the appellate authority shall be considered to be final. The powers of all the civil court under Code of Civil Procedure, 1908 shall vest in him.

The EXIM Policy is a set of guidelines and instructions established by the DGFT in matters related to the export and import of goods in India. This policy is regulated under the said act. Director General of Foreign Trade (herein after referred to as DGFT) is the main governing body in matters related to the EXIM Policy. The Act shall provide development and regulation of foreign trade by facilitating imports into, and augmenting exports from India. Trade Policy is prepared and announced by the Central Government (Ministry of Commerce).

Foreign Exchange Management Act, 1999

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999("FEMA") and the rules and regulations promulgated there under. The act aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

The Foreign Direct Investment

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The Department of Industrial Policy and

Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), has issued consolidated FDI Policy Circular of 2017 (“**FDI Policy 2017**”), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India (“**RBI**”) also issues Master Directions Foreign Investment in India and updates at the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including the filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. In case of investment in sectors through Government Route approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained by the company.

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

CORPORATE PROFILE & BRIEF HISTORY OF OUR COMPANY

Our Company was originally incorporated as “Uni Drug Private Limited” at Indore, as a Private Limited Company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated March 13, 1987 bearing Registration Number 3875, issued by the Registrar of Companies, Gwalior, Madhya Pradesh. Subsequently, our Company was converted into a Public Limited Company pursuant to a special Resolution passed by the shareholders of the Company at the extra-ordinary general meeting held on October 12, 1995 consequent to which the name of our Company was changed to “Uni Drug Limited” vide a fresh Certificate of Incorporation dated December 4, 1995 issued by the Registrar of Companies, Gwalior, Madhya Pradesh bearing Registration Number 10-03875. Further, the name of our Company was changed to “Unidrug Innovative Pharma Technologies Limited” to signify the Company’s operations into Pharmaceuticals, pursuant to a special resolution passed by the shareholders of our Company at the extra-ordinary general meeting held on September 14, 1996 vide a fresh Certificate of Incorporation dated September 17, 1996 issued by Registrar of Companies, Gwalior, Madhya Pradesh bearing Registration Number 10-3875. The Corporate Identification Number of our Company is U85120MP1987PLC003875.

Since incorporation in the year 1987, our Company was engaged in the trading of certain pharmaceutical products until it was taken over by our Promoters, Jainesh Jain and Kanaklata Jain in the year 1995 from the erstwhile promoters, Amarlal Navlani and Ushadevi Navlani. Thereafter, we have undertaken manufacturing of APIs on job work basis from other manufacturers in the initial years along with trading of pharmaceutical products such as Albendazole, Mebendazole, Metronidazole, propylene Glycol etc. until further expansion towards own manufacturing set up. We are presently engaged in the manufacturing of APIs and API intermediates for the domestic market as well as for exports to international markets. For further information, please refer to the chapter titled “Capital Structure” and “Business” on pages 67 & 123 of this Draft Red Herring Prospectus.

For information on our Company’s profile, activities, market, service, etc., market of each segment, capacity built-up, standing of our Company in comparison with prominent competitors, with reference to its services, management, managerial competence, technology, market, major suppliers and customers, environmental issues, geographical segment, etc. wherever applicable, please refer to chapters titled “Our Business”, “Our Industry”, “Financial Statements as Restated”, “Management’s Discussion and Analysis of Financial Condition and Results of Operation”, “Government and Other Statutory Approvals” beginning on page 123, 101, 196, 198, and 223 respectively of this Draft Red Herring Prospectus.

CHANGES IN THE REGISTERED OFFICE OF OUR COMPANY

At present, the Registered Office of our Company is situated at Plot No. 84 A, Sector – E, Sanwer Road, Indore – 452015, Madhya Pradesh, India. The details of the changes in the Registered Office of our Company are set forth below:

From	To	Effective Date	Reason for change
207, Chetak Centre, 12/2, R. N.T. Marg, Indore.	84-A Sector – E, Sanwer Road, Indore.	August 20, 1995	Administrative Convenience
84-A Sector – E, Sanwer Road, Indore, 000000	84-A Sector – E, Sanwer Road, Indore, 452015	July 13, 2019	Due to error in the pin code of the Registered office address which appeared on MCA portal

KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

Year	Events
1987	Incorporation of the Company
1995	Company's Conversion from Private Limited company into Public Limited company.
1995	Business taken over by our existing Promoters Jainesh Jain and Kanaklata Jain from Amarlal Navlani and Ushadevi Navlani, the erstwhile promoters of our Company.
1996	The name of our Company was changed from Uni Drug Limited to Unidrug Innovative Pharma Technologies Limited
2007	Office of the Controller Food and Drugs Administration, Madhya Pradesh Issued GMP (Good Manufacturing Practice) certificate to our Manufacturing Unit.

MAIN OBJECTS OF OUR COMPANY

The main objects of our Company, as contained in our Memorandum of Association, are as set forth below:

1. To carry on the business of chemists, Druggists, Importers and manufacturers of and dealers in Pharmaceutical, medical, Chemical, Industrial and other preparations and articles, compounds, drugs and dealers in Chemical, surgical and scientific apparatus and materials.
2. To carry on the business of import, export and as dealers in medicines, pharmaceutical product, chemicals, drugs scents, toilet requisites.
3. To carry on the business of manufacturers and producers of and dealers in fats, sprays, vermifuges fungicides, insecticides, pesticides and biologicals products and preparations and things capable of being used in connection with such products.
4. To carry on business as providers of all requisites for hospitals, patients and invalids.
5. To manufacture, produce, pack, repack, import buy sell and deal in soaps, broths and other restor-atives or foods specially those suitable or deemed to be suitable for infants, invalids, and convales-cents and also to deal in medical goods such as surgical instruments contraceptives, vaccines, proprietary medicines veterinary and tincture extract.
6. To carry on the business of vialling, bottling, packing, repacking and processing of capsules, syrups, tablets, injectable aerosols and ointments and pharmaceutical products.

AMENDMENTS TO THE MOA OF OUR COMPANY IN THE LAST TEN YEARS

The following changes have been made to our Memorandum of Association, in the last ten years from the date of filing of this Draft Red Herring Prospectus:

DATE OF EGM/AGM	AMENDMENTS
March 26, 2018	<ul style="list-style-type: none">• The authorised share capital was consolidated from face value of Re. 1 per Equity share to Rs. 10 per Equity Share.• The authorised share capital of our Company was increased from Rs. 5,00,00,000 consisting of 50,00,000 Equity shares of Rs. 10 each to Rs. 10,00,00,000 consisting of 1,00,00,000 Equity shares of Rs. 10 each.
August 23, 2019	<ul style="list-style-type: none">• The authorised share capital of our Company was increased from 10,00,00,000 consisting of 1,00,00,000 Equity Shares of Rs. 10/- each to Rs. 15,00,00,000 consisting of 1,50,00,000 Equity Shares of Rs. 10/- each• Adoption of New set of Memorandum of Association

HOLDING COMPANY OF OUR COMPANY

Our Company does not have a holding company as on the date of filing this Draft Red Herring Prospectus.

SUBSIDIARY COMPANY OF OUR COMPANY

Our Company does not have a Subsidiary company as on the date of filing of this Draft Red Herring Prospectus.

JOINT VENTURES OF OUR COMPANY

Our Company has not entered into any Joint Venture as on the date of filing of this Draft Red Herring Prospectus.

REVALUATION OF ASSETS

There has been no revaluation of assets of our company in last 10 years from the date of this Draft Red Prospectus.

MERGERS AND ACQUISITIONS IN LAST 10 YEARS

Our Company has not merged / amalgamated itself nor has acquired any business / undertaking, in the last ten years from the date of this Draft Red Herring Prospectus.

DIVESTMENT OF BUSINESS / UNDERTAKING BY COMPANY

Our company has not divested any of its business / undertaking in last 10 years from the date of this Draft Red Herring Prospectus.

SHAREHOLDER'S AGREEMENTS

Our Company has not entered into shareholders agreement as on date of filing of this Draft Red Herring Prospectus.

OTHER MATERIAL AGREEMENTS

There are no material agreements or contracts which have been entered into by our Company prior to the date of this Draft Red Herring Prospectus which are not in the ordinary course of business.

TIME AND COST OVERRUNS IN SETTING UP PROJECTS

The nature of our business does not include implementation of projects and therefore there has been no time and cost overruns on the date of this DRHP.

CAPACITY/ FACILITY CREATION, LOCATION OF PLANTS

For details pertaining to facility creation, location of plants, please see the chapter titled "Our Business" beginning on page 123 of this Draft Red Herring Prospectus.

STRATEGIC PARTNERS

As on the date of filing of this Draft Red Herring Prospectus, our Company does not have any strategic partner.

FINANCIAL PARTNERS

Apart from the various arrangements with bankers and financial institutions which our Company undertake in the ordinary course of business, our Company does not have any other financial partners as on the date of this Draft Red Herring Prospectus.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS / BANKS

As on the date of this Draft Red Herring Prospectus, there have been no defaults or rescheduling of borrowings with any financial institutions / banks.

OUR MANAGEMENT

Certain Corporate records including but not limited to secretarial records such as Annual Returns filed with ROC prior to 1996, challans of certain Forms filed with ROC, Forms filed with ROC for appointment, regularization, reappointment of directors, prior to year 2006 are not traceable by our Company. Hence, this chapter is prepared based on the RoC search report, data provided by the Company and to the best of information available.

BOARD OF DIRECTORS

Our Board is required to have not less than 3 Directors and not more than 15 Directors, as per the applicable provisions of the Companies Act. We currently have 6 Directors on our Board, including 1 Executive Director and 5 Non-Executive Directors out of which 3 are Independent Directors. Our Board also has 1 Woman Director.

The following table sets forth details regarding our Board of Directors as on the date of Draft Red Herring Prospectus:

Sr. No.	Name, Father's Name, Date of Birth, Age, Designation, Address, Occupation, Nationality, Date of Appointment/ last appointment / Re-designation and term and DIN	Date of Appointment/ Reappointment as Director	Other Directorship
1.	Name: Jainesh Jain Father's Name: Trilok Chand Jain Date of Birth: November 12, 1972 Age: 46 years Designation: Chairman and Managing Director Address: 13/2, New Palasia, Opp. Kothari Terrace, Indore – 452001, Madhya Pradesh, India. Occupation: Business Nationality: Indian Term: 5 years w.e.f. April 1, 2017 DIN: 02355170	Appointed as Director on August 20, 1995. Re-appointed as Managing Director on April 1, 2017. Designated as Chairman on August 1, 2019.	Public Company: - Nil Limited Private Company: - T.K. Estates Private Limited
2.	Name: Varsha Jain Husband's Name: Jainesh Jain Date of Birth: June 24, 1974 Age: 45 years Designation: Non Executive Director Address: 13/2, New Palasia, Opp. Kothari Terrace, Indore – 452001 Madhya Pradesh, India. Occupation: Service Nationality: Indian Term: Liable to retire by rotation DIN: 00255907	Appointed as Director on October 5, 1995. Designated as Non-Executive Director with effect from August 29, 2019	Public Company: - Nil Limited Private Company: - Nil

Sr. No.	Name, Father's Name, Date of Birth, Age, Designation, Address, Occupation, Nationality, Date of Appointment/ last appointment / Re-designation and term and DIN	Date of Appointment/ Reappointment as Director	Other Directorship
3.	Name: Bharat Jain Father's Name: Trilokchand Jain Date of Birth: April 29, 1975 Age: 44 years Designation: Non Executive Director Address: 13/2, New Palasia, Opp. Kothari Terrace, Indore – 452001, Madhya Pradesh, India. Occupation: Professional Nationality: Indian Term: Liable to retire by rotation DIN: 00035708	Appointed as Additional Director on September 20, 2018 Regularised as Non Executive Director on August 23, 2019	Public Company: - Nil Private Company: - Univive Healthcare Private Limited - Ecolife Herbals Care Private Limited
4	Name: Mahesh Asawa Father's Name: Champa Lal Asawa Date of Birth: January 21, 1948 Age: 71 years Designation: Independent Director Address: 12, Anand Nagar, Bhanwar Kuan Road, Behind Sapna Sangeeta Talkies, Indore – 452001, Madhya Pradesh, India Occupation: Professional Nationality: Indian Term: 5 years w.e.f. September 20, 2018 DIN: 08213769	Appointed as Additional Director on September 20, 2018 Regularised as Independent Director on August 23, 2019	Public Company: Nil Private Company: Nil
5	Name: Gajanand Agrawal Father's Name: Girdharilal Agrawal Date of Birth: April 21, 1946 Age: 73 years Designation: Independent Director Address: House No. 952, Khatiwala Tank, Near Tower Square, Indore – 452018, Madhya Pradesh, India. Occupation: Retired Nationality: Indian Term: 5 years w.e.f. September 20, 2018 DIN: 08215163	Appointed as Additional Director on September 20, 2018 Regularised as Independent Director on August 23, 2019	Public Company: Nil Private Company: Nil

Sr. No.	Name, Father's Name, Date of Birth, Age, Designation, Address, Occupation, Nationality, Date of Appointment/ last appointment / Re-designation and term and DIN	Date of Appointment/ Reappointment as Director	Other Directorship
6	Name: Niresh Maheshwari Father's Name: Gopikrishna Maheshwari Date of Birth: August 04, 1978 Age: 41 years Designation: Independent Director Address: 479, Gumasta Nagar, Sudama Nagar, Indore – 452009, Madhya Pradesh, India. Occupation: Service Nationality: Indian Term: : 5 years w.e.f from date of September 20, 2018 DIN: 06735182	Appointed as Additional Director on September 20, 2018 Regularised as Independent Director on August 23, 2019	Public Company: Nil Private Company: NPM Advisory Private Limited LLP: Cubic Capital Advisors LLP

BRIEF PROFILE OF OUR DIRECTORS

Jainesh Jain, Promoter, Chairman and Managing Director

Jainesh Jain, aged 46 years is the Promoter, Chairman and Managing Director of our Company. He is associated with our Company since his first appointment in our Company. He completed his Bachelor of Engineering from Mangalore University, Karnataka in the year 1994. He is in the Pharmaceutical Industry since 1995, and has an experience of more than twenty years in Pharmaceutical Industry. He has been instrumental in formulating the business strategies of our Company and is entrusted with the responsibility of looking after the overall management and maintaining customer relations.

Varsha Jain, Non Executive Director

Varsha Jain, aged 45 years, is the Non Executive Director of our Company. She is in on the Board of the Company since October 5, 1995. She has passed the matriculation certification.

Bharat Jain, Non-Executive Director

Bharat Jain, aged 44 years is the Non-Executive Director of our Company. He is a commerce graduate from Devi Ahilya Vishwavidyala, Indore and holds degree of Masters of Financial Admin. (MFA) from Institute of Management Studies, Indore. He is also a Fellow member of The Institute of Chartered Accountant of India and has completed his Diploma in Banking & Finance from Indian Institute of Banking & Finance, India. Further, he has also passed the Information Systems Audit (ISA) Assessment Test conducted by The Institute of Chartered Accountants of India. He has over 15 years of experience as a practising Chartered Accountant. He is on our board since September 20, 2018.

Gajanand Agrawal, Independent Director

Gajanand Agrawal, aged 73 years is an Independent Director of our Company. He is a commerce graduate from University of Indore and also holds degree of Masters of Commerce from University of Indore. He is also a certified Associate of the Indian Institute of Bankers. He has over 30 years of experience in the Banking sector. He is on our board since September 20, 2018.

Mahesh Asawa, Independent Director

Mahesh Asawa, aged 71 years is an Independent Director of our Company. He is a commerce graduate and also holds degree of Master of Commerce from University of Indore. He is also a Fellow member of the Institute of Chartered Accountants of India. He has an experience of 20 years in Banking sector.

Further, he has been practising as Chartered Accountant for more than 20 years. He is on our board since September 20, 2018.

Niresh Maheshwari, Independent Director

Niresh Maheshwari, aged 41 years, is an Independent Director of our Company. He is a commerce graduate and has completed course of Arbitration conducted by the Committee on Economic, Commercial Laws & WTO of the Institute of Chartered Accountants of India, at Indore. He is a Chartered Accountant and has an experience of over 15 years in financial services. He is presently a Chief Financial Officer in Uniinfo Telecom Services Limited. He is on our board since September 20, 2018.

CONFIRMATIONS

As on the date of this Draft Red Herring Prospectus:

1. None of the Directors of our Company are related to each other within the meaning of Section 2(77) of the Companies Act, 2013 except as mentioned below:

Directors	Other Directors	Relation
Jainesh Jain	Bharat Jain	Brothers
Jainesh Jain	Varsha Jain	Spouse
Bharat Jain	Varsha Jain	Sister in law

2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of our Directors are fugitive economic offender or are on the RBI List of wilful defaulters.
5. Further, none of our Directors are or were directors of any company whose shares have been / were:
 - a) Suspended from trading by any of the stock exchange(s) during his /her tenure in that company in the last five years or;
 - b) Delisted from the stock exchange(s) during the term of their directorship in such companies.
6. None of the Promoters, or Directors has been or is involved as a promoter or director of any other Company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

BORROWING POWERS OF THE BOARD

Pursuant to a special resolution passed at an Annual General Meeting of our Company held on August 23, 2019 and pursuant to Section 180(1)(c) and any other applicable provisions, of the Companies Act, 2013 and the rules made thereunder, consent of Members be and is hereby accorded to borrow from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the company and free reserve, that is to say, reserves not set apart for any specific purposes, provided that the total outstanding amount so borrowed, shall not at any time exceed the limit of Rs. 15000 lakhs.

REMUNERATION/COMPENSATION/COMMISSION PAID TO DIRECTORS

Except as disclosed below, none of the Directors were paid any remuneration during the last financial year ended on March 31, 2019:

Name of the Directors	Amount (Rs. In Lakhs)
Jainesh Jain	36.85

Compensation to our Managing Director

We have not entered into any service agreement with our Managing Director providing for benefits upon termination of their employment. However, the terms and conditions relating to the remuneration and appointment of Mr. Jainesh Jain, Managing Director of the Company are set out in the Board resolution dated August 01, 2019 and in the shareholders resolution dated August 23, 2019 and shall be subject to the provisions of Sections 196, 197 and 203 and any other applicable provisions of the Companies Act, 2013, the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Article of Association of the Company.

Terms and condition of employment of our Managing Director

Jainesh Jain, Managing Director

Remuneration:	
Term of appointment:	Five years from April 01, 2017
Reimbursement of Expenses:	Reimbursement of actual out-of-pocket entertainment expenses incurred in connection with the Company's Business, expenses on conveyance, traveling, boarding and lodging shall be reimbursed as per entitlement and not considered as perquisites.
Motor Car:	Car along with driver for the business of the Company.
Telephone/Mobile:	Telephone facilities at the cost of the Company at residence and the mobile phones for Company's business purpose.

Remuneration for Non-Executive Directors and Independent Directors

Non-Executive and Independent Directors of our Company may be paid sitting fees, commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act, 2013 and other applicable laws and regulations. Our Company has not paid any remuneration to Independent Directors and Non-Executive Director in fiscal 2018-19.

SHAREHOLDING OF OUR DIRECTORS IN THE COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares. Except as stated below no other directors have shareholding of our Company.

The following table details the shareholding of our Directors as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Jainesh Jain	3,85,398	5.03	[●]
2.	Varsha Jain	10,88,100	14.19	[●]

INTERESTS OF DIRECTORS

Interest in promotion of our Company

Our Directors, Jainesh Jain and Varsha Jain may be deemed to be interested in the promotion of the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them on their holding of such shares and other distributions in respect of the aforesaid Equity Shares. For further details, refer to chapter titled "*Related Party Transactions*" and "*Promoter and Promoter Group*" beginning on page 194 and 186 of this Draft Red Herring Prospectus.

Interest in the property of our Company

Except as stated in the heading titled "*Immovable Properties*" under the chapter titled "*Our Business*" beginning on page 123 and chapter titled "*Related Party Transaction*" on page 194 of the Draft Red Herring Prospectus, our Directors have not entered into any contract, agreement or arrangements in

which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them. Further our Directors do not have any interest in any immovable property acquired or proposed to be acquired of the Company or by the Company except otherwise disclosed in the heading titled *“Immovable Properties”* under the chapter titled *“Our Business”* beginning on page 123 of the Draft Red Herring Prospectus.

Interest by way of Remuneration from the Company

Our Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses payable to them. For details, see *“Remuneration/Compensation/Commission Paid To Directors”* above. Further, our Independent Directors are entitled to receive sitting fees for attending meetings of our Board within the limits laid down in the Companies Act, 2013 and as decided by our Board subject to Articles of Association of our Company. Further, except as disclosed above, none of our Directors hold any Equity Shares in our Company. Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said equity shares, if any. Except as stated in the chapters *“Our Management”* and *“Related Party Transactions”* beginning on pages 171 and 194 respectively of this Draft Red Herring Prospectus and described herein above, our Directors do not have any other interest in the business of our Company.

Interest as member of our Company

As on date of this Draft Red Herring Prospectus, none of our Directors except Jainesh Jain and Varsha Jain hold 3,85,398 and 10,88,100 Equity Shares respectively in our Company i.e. 5.03% and 14.19% respectively of the pre Issue paid up Equity Share capital of our Company. Therefore, they are interested to the extent of his shareholding and the dividend declared, if any, on such holding of Equity Shares by our Company.

Interest as a creditor of our Company

As on the date of this Draft Red Herring Prospectus, our Company has availed loans from the Directors of our Company. For further details, refer to chapter titled *“Financial Indebtedness”* and section titled *“Related Party Transactions”* beginning on page 213 and 194 of this Draft Red Herring Prospectus.

Other Indirect Interest

Except as stated in chapter titled *“Financial Statements as Restated”* beginning on page 196 of this Draft Red Herring Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Directors.

Interest in the business of our company

Save and except as stated otherwise in *“Related Party Transactions”* in the chapter titled *“Financial Statements as Restated”* beginning on page 196 of this Draft Red Herring Prospectus, our Directors do not have any other interests in our Company as on the date of this Draft Red Herring Prospectus.

Except as stated above and under the heading “Financial Statements, as restated – Annexure Z – Restated Statement of Related Parties Transactions” on page 196, under the section titled “Financial Information”, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Red Herring Prospectus in which the Directors are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company.

SHAREHOLDING OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATE COMPANIES

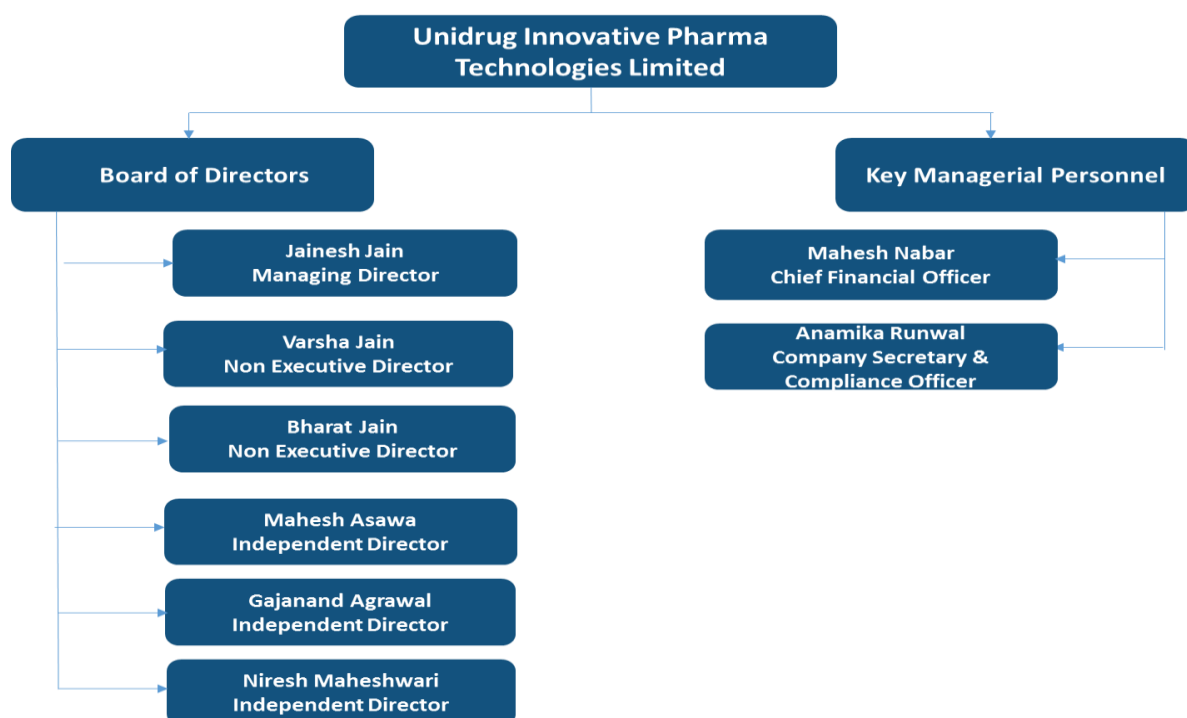
As on the date of this Draft Red Herring Prospectus, Our Company does not have any subsidiary and associate Company.

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Following are the changes in Directors of our Company in last three years prior to the date of this Draft Red Herring Prospectus:

Name	Date of event	Nature of event	Reason
Jainesh Jain	April 01, 2017	Re-appointment	Re-appointed as Managing Director
Varsha Jain	September 20, 2018	Re-designation	Re-designated as Executive Director
Kanaklata Jain	September 20, 2018	Resignation	Resignation as Executive Director
Bharat Jain	September 20, 2018	Appointment	Appointment as Additional Director (Non-Executive Director)
Gajanand Agrawal	September 20, 2018	Appointment	Appointment as Additional Director (Independent Director)
Mahesh Asawa	September 20, 2018	Appointment	Appointment as Additional Director (Independent Director)
Naresh Maheshwari	September 20, 2018	Appointment	Appointment as Additional Director (Independent Director)
Gajanand Agrawal	August 23, 2019	Regularisation	Regularisation as Independent Director
Mahesh Asawa	August 23, 2019	Regularisation	Regularisation as Independent Director
Naresh Maheshwari	August 23, 2019	Regularisation	Regularisation as Independent Director
Bharat Jain	August 23, 2019	Regularisation	Regularisation as Non-Executive Director
Varsha Jain	August 23, 2019	Re-designation	Re-designated as Non-Executive Director

ORGANISATIONAL STRUCTURE



CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013 with respect to corporate governance, provisions of the SEBI (Listing Regulations and Disclosure Requirements) 2015 will also be complied with the extent applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchange.

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

The Board functions either as a full board or through the various committees constituted to oversee specific operational areas.

Currently our Board has 6 directors out of which 3 are Independent Directors. The constitution of our Board is in compliance with the requirements of Section 149 of the Companies Act, 2013.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the Listing Regulations, the Listing Agreement and the Companies Act, 2013, to the extent applicable.

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

- A) Audit Committee;
- B) Stakeholders Relationship Committee;
- C) Nomination and Remuneration Committee;
- D) IPO Committee

A) Audit Committee

Our Company has constituted an audit committee ("Audit Committee"), as per Section 177 of the Companies Act 2013 vide resolution passed in the meeting of the Board of Directors dated August 01, 2019. The constituted Audit Committee comprises following members:

Name of the Director	Status	Nature of Directorship
Mahesh Asawa	Member	Chairman & Independent Director
Gajanand Agrawal	Member	Independent Director
Jainesh Jain	Member	Managing Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

A. The Audit Committee shall have following powers/responsibilities:

- a. To investigate any activity within its terms of reference.
- b. To seek information from any employee.
- c. To obtain outside legal or other professional advice, and
- d. To secure attendance of outsiders with relevant expertise if it considers necessary

B. The Audit Committee shall mandatorily review the following information:

- a. Management discussion and analysis of financial condition and results of operations statement of significant related party transactions (as defined by the audit committee), submitted by management;

- b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal Audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the Chief Internal Auditor.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the Audit committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

C. The role of the Audit Committee shall be as follows -

1. Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approving payment to statutory auditors for any other services rendered by the statutory auditors;
4. Approving initial or any subsequent modification of transactions of the Company with related parties;
5. Scrutinizing inter-corporate loans and investments;
6. Valuation of undertakings or assets of the Company, wherever it is necessary;
7. Evaluation of internal financial controls and risk management systems;
8. Monitoring the end use of funds raised through public offers and related matters;
9. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b) Changes, if any, in accounting policies and practices along with reasons for the same;
 - c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - d) Significant adjustments made in the financial statements arising out of audit findings;
 - e) Compliance with listing and other legal requirements relating to financial statements;
 - f) Disclosure of any related party transactions; and
 - g) Qualifications in the draft audit report.
10. Reviewing, with the management, the half yearly financial statements before submission to the board for approval;
11. 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

12. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussing with the internal auditors any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Reviewing the functioning of the Whistle Blower mechanism, in case the same is existing;
19. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
20. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate;
21. To investigate any other matters referred to by the Board of Directors;
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or contained in the equity listing agreements as and when amended from time to time.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

D. Meeting of Audit Committee and relevant Quorum

The Audit Committee shall meet at least four times in a year and not more than four months shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the Audit Committee, whichever is higher but there shall be presence of minimum two Independent members at each meeting. Meeting of the Audit Committee shall be called by at least seven days' notice in advance.

E. Tenure:

The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

B) Stakeholder's Relationship Committee

Our Company has constituted a shareholder / investors grievance committee ("*Stakeholders' Relationship Committee*") to redress complaints of the shareholders. The Stakeholders Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on August 01, 2019.

The Stakeholder's Relationship Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
Mahesh Asawa	Member	Chairman & Independent Director
Jainesh Jain	Member	Managing Director
Gajanand Agarwal	Member	Independent Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholder's Relationship Committee.

The scope and function of the Stakeholder's Relationship Committee and its terms of reference shall include the following:

- A. Tenure:** The Stakeholder/ Investor Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder / Investor Relationship Committee as approved by the Board.
- B. Meetings:** The Stakeholder/ Investor Relationship Committee shall meet at least at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher.
- C. Terms of Reference:** Redressal of shareholders' and investors' complaints, including and in respect of:
- Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
 - Redressal of security holders'/investor's complaints;
 - Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities;
 - Issue of duplicate certificates and new certificates on split/consolidation/renewal;
 - Allotment and listing of shares;
 - Reference to statutory and regulatory authorities regarding investor grievances; and
 - To otherwise ensure proper and timely attendance and redressal of investor queries and grievances; and
 - Any other power specifically assigned by the Board of Directors of the Company.

C) Nomination and Remuneration Committee

Our Company has constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on August 01, 2019. The NRC is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
Gajanand Agarwal	Member	Chairman & Independent Director
Mahesh Asawa	Member	Independent Director
Niresh Maheshwari	Member	Independent Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

- A. Tenure:** The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.
- B. Meetings:** The committee shall meet as and when the need arise for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. Meeting of the Nomination and Remuneration/Compensation Committee shall be called by at least seven days' notice in advance.

The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. Meeting of the Nomination and Remuneration Committee shall be called by at least seven days' notice in advance.

C. Terms of Reference:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of independent directors and the Board;
- To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- Devising a policy on Board diversity; and
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

E) IPO Committee -

IPO Committee was constituted vide Board Resolution dated August 01, 2019. The members of the IPO Committee are:

Name of the Director	Status	Nature of Directorship
Bharat Jain	Member	Chairman & Non Executive Director
Varsha Jain	Member	Non Executive Director
Jainesh Jain	Member	Managing Director
Niresh Maheshwari	Member	Independent Director

The role of IPO Committee is as follows:

1. the IPO Committee has been constituted to decide the terms and conditions of the Issue, finalisation and filing of the Draft Red Herring Prospectus and this Red Herring Prospectus with SEBI, the Stock Exchanges and other regulatory bodies as may be required;
2. handle all matter relating to appointment of intermediaries and advisors in relation to the IPO;
3. deciding on allocation of the equity shares to specific categories of persons;
4. opening of bank accounts, securities account, escrow or custodian accounts, submitting applications and seeking listing of Equity Shares with the Stock Exchanges;
5. determining and finalising the price band, bid opening and closing date of this Issue, approving and finalising the 'Basis of Allocation';
6. determining the price at which the Equity Shares are to be offered to the investors; 7. settling difficulties and doubts arising in relation to the IPO;
7. empowering the authorized officers to enter into and execute any agreements or arrangements in relation to the IPO; and
8. carry out all acts and take all decisions as may be necessary for the purposes of the IPO and listing.

IPO Committee is authorised to take decisions with regards to IPO as it may, in its absolute discretion deem fit and proper in the interest of the Company including the appointment of merchant bankers, lawyers, registrar and any other agencies as may be required for the purpose of IPO and the minutes of the Committee be placed to the Board for information, from time to time.

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. EMERGE Platform of National Stock Exchange of India Limited. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on Stock Exchanges.

Anamika Runwal, Company Secretary & Compliance Officer, will be responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board

KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

Set forth below are the details of our Key Management Personnel as prescribed under the Companies Act 2013, in addition to Jainesh Jain, our Chairman & Managing Director as on the date of filing of this Draft Red Herring Prospectus. For details of Jainesh Jain, see “Brief Profile of our Directors” on page 171 of this Draft Red Herring Prospectus.

The details of our Key Managerial Personnel are set out below:

Mahesh Nabar, Chief Financial Officer

Mahesh Nabar aged 60 years has been designated as the Chief Financial Officer of our Company w.e.f. August 01, 2018. He holds a degree of Bachelor of Commerce from University of Rajasthan and also holds degree of Master of Commerce from Devi Ahilya Vishwavidyala, Indore. He has passed the Intermediate Examination conducted by The Institute of Company Secretaries Of India and Group I of Intermediate Examination conducted by The Institute of Chartered Accountants Of India. He has an experience of more than 35 years in the field of Accounts, Banking and finance. He is responsible for looking after all the financial Activities, Taxation matters, Accounts, compliances with Government authorities and all other day to day activities of our Company. He has been Associated with Our Company Since 2008.

Anamika Runwal, Company Secretary & Compliance Officer

Anamika Runwal, aged 29 years is the Company Secretary and Compliance Officer of the Company. She is appointed as Company Secretary & Compliance Officer of our Company w.e.f. August 23, 2019. She is an associate member of Institute of Company Secretaries of India. She looks after secretarial and compliance department of our Company.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

None of the Key Managerial Personnel's are related to each other within the meaning of Section 2 (77) of the Companies Act, 2013. All of the Key Managerial Personnel are permanent employees of our company.

RELATIONSHIPS OF DIRECTORS/ AND PROMOTERS WITH KEY MANAGERIAL PERSONNEL

None of our Directors of the Company are related to the Key Managerial Personnel within the meaning of Section 2(77) of the Companies Act, 2013 except as mentioned below:

Name of Director/ Promoter	Name of KMP	Relationship
Varsha Jain (Director)	Jainesh Jain	Spouse
Kanaklata Jain (Promoter)	Jainesh Jain	Mother - Son
Bharat Jain (Director)	Jainesh Jain	Brothers

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS / CUSTOMERS / SUPPLIERS

None of our Key Managerial Personnel have been appointed as Key Managerial Personnel pursuant to any arrangement with our major shareholders, customers, suppliers or others.

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Except as disclosed below, none of the Key Managerial Personnel hold any Equity Shares of our Company as on the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the KMPs	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Jainesh Jain	3,85,398	5.03%	[●]

REMUNERATION PAID TO KEY MANAGERIAL PERSONNEL (KMP)

Except as mentioned below, no other current KMPs have received remuneration during the period ended on March 31, 2019.

Name of the KMPs*	Amount (₹ in Lakhs) p.a
Mahesh Nabar	4.49

* **Anamika Runwal** has been appointed on August 29, 2019, with a remuneration of Rs. 3,00,000 p.a.

BONUS OR PROFIT SHARING PLAN OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Directors, Key Managerial Personnel.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

LOANS TO KEY MANAGERIAL PERSONNEL

The Company has not given any loans and advances to the Key Managerial Personnel as on the date of this Draft Red Herring Prospectus.

INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of our Company have interest in our Company 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 and to the extent of Equity Shares held by them in our Company, if any and dividends payable thereon, if any.

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

Except as stated in the heading titled “*Related Party Transactions*” under the Section titled “Financial Statements as Restated” beginning on page 196 of this Draft Red Herring Prospectus and described herein above, our key managerial personnel do not have any other interest in the business of our Company.

CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS

The Changes in the Key Managerial Personnel in the last three years from the date this Draft Red Herring Prospectus are as follows:

Name of Managerial Personnel	Date of Event	Nature of event	Reason
Jainesh Jain	April 01, 2017	Re-appointment	Re-appointed as Managing Director
Pooja Ajmera	July 31, 2018	Appointment	Appointed as Company Secretary
Mahesh Nabar	August 01, 2018	Appointment	Appointed as Chief Financial Officer
Pooja Ajmera	October 25, 2018	Resignation	Due to personal reason
Jainesh Jain	August 1, 2019	Appointment	Appointed as Chairman
Anamika Runwal	August 29, 2019	Appointment	Appointed as Company Secretary

Other than the above changes, there have been no changes to the KMP of our company that are not in the normal cause of employment.

ESOS/ESPS SCHEME TO EMPLOYEES

Presently, we do not have any ESOS/ESPS Scheme for employees.

PAYMENT OR BENEFIT TO OUR OFFICERS (NON SALARY RELATED)



Except as disclosed in the heading titled “*Related Party Transactions*” in the section titled “*Financial Statements as Restated*” beginning on page 196 of this Draft Red Herring Prospectus, no amount or benefit has been paid or given within the three preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.

OUR PROMOTERS AND PROMOTER GROUP

OUR PROMOTERS

The Promoters of our Company are Jainesh Jain and Kanaklata Jain. As on date of this Draft Red Herring Prospectus, our Promoters hold 58,94,694 equity shares representing 76.88% of the Pre-Issue Paid up Share Capital of our Company.

Brief profile of our Promoters are as under:

	<p>Jainesh Jain, Chairman, Promoter and Managing Director</p> <p>Jainesh Jain, aged 46 years, is the Chairman, Promoter and Managing Director of our Company. He is on the Board of our Company since August 20, 1995. He has completed his Bachelors in Chemical Engineering from Mangalore University, Karnataka. He has an experience of more than 20 (twenty) years in the Pharmaceutical Industry. He has been instrumental in formulating the business strategies of our Company and is responsible for the overall growth and for taking all key decisions in consultation with the Board of Directors of our Company.</p> <p>Date of Birth: November 12, 1972 PAN: ABTPJ1686M Driving License No.: MP09R-2013-0287867 Aadhaar Card No.: 5060 7308 1378 Address: 13/2, Ananda Street No.2, New Palasia, Opposite Kothari Terrace, Indore-452001, Madhya Pradesh, India.</p> <p>For further details pertaining to other ventures involving Jainesh Jain directly or indirectly and other directorships held by him, please see section titled ‘Promoter Group’ in this chapter and chapters titled “Our Management” and “Our Group Companies” beginning on pages 171 and 190 of this Draft red Herring Prospectus.</p> <p>For further details, relating to Jainesh Jain, including terms of appointment as Chairman, Managing Director and other directorships please refer to the chapter titled “Our Management” beginning on page 171 this Draft Red Herring Prospectus.</p>
	<p>Kanaklata Jain, Promoter</p> <p>Kanaklata Jain, aged 66 years, is the Promoter of our Company. She was on the board of our company for period of 22 years commencing from May, 1996 to September, 2018. She has passed Matriculation certification.</p> <p>Date of Birth: October 20, 1952 PAN: ABVPJ1873G Aadhaar Card No.: 8317 0395 9804 Driving License No.: NA Address: 13/2, Ananda Street No.2, New Palasia Opposite Kothari Terrace, Indore-452001, Madhya Pradesh, India.</p> <p>For further details pertaining to other ventures involving Kanaklata Jain directly or indirectly, please see section titled ‘Promoter Group’ in this chapter and for other related details refer chapters titled “Our Management” and “Our Group Companies” beginning on pages 171 and 190 of this Draft red Herring Prospectus.</p>

DECLARATION

Our Company confirms that the Permanent Account Number, Bank Account Number and Passport Number of our Promoters shall be submitted to the Stock Exchange at the time of filing of this Draft Red Herring Prospectus.

INTEREST OF PROMOTERS

Our Promoters are interested in our Company to the extent that they have promoted our Company.

Our Promoter, Jainesh Jain, who is also the Director of our Company may be deemed to be interested to the extent of remuneration, commission and reimbursement of expenses payable to him as per the terms of the Articles of our Company and relevant provisions of Companies Act.

Our Promoters may also be deemed to be interested to the extent of Equity Shares held by them in our Company and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares in our Company. For details regarding the shareholding of our Promoter in our Company, see “Capital Structure” on page 67 of Draft Red Herring Prospectus.

Further, our Promoters have given personal guarantees towards financial facilities availed from Bankers to our Company; therefore, are interested to the extent of the said guarantees. For further information, please refer to the details under the heading “*Our Management – Interest of Directors*” on page 171 of Draft Red Herring Prospectus.

Our Promoters and Directors are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify them as a Director or Promoter, or otherwise for services rendered by them or by such firm or company in connection with the promotion or formation of our Company.

Further, certain members of our Promoter Group are also directors on the board of our Group Company and they may be deemed to be interested to the extent of the payments made by our Company, if any, to/from the Group Company. For the payments that are made by our Company to certain Group Companies, see “*Financial Statements, as restated – Annexure Z – Restated Statement of Related Parties Transactions*” on page 196 of Draft Red Herring Prospectus.

Further, none of our Promoters have given material guarantees to the third party with respect to the specified securities of the Company.

INTEREST IN PROPERTY, LAND, CONSTRUCTION OF BUILDING, SUPPLY OF MACHINERY

Except as disclosed in the section titled “*Our Management – Interest of Directors*” and “*Our Business*” on pages 171 and 123, our Promoters do not have any interest in any property acquired by our Company in the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

PAYMENT OR BENEFITS TO OUR PROMOTERS IN THE LAST TWO YEARS

Except as mentioned above under the heading “Interest of Promoters” and in the sections titled “*Financial Statements, as restated – Annexure Z – Restated Statement of Related Parties Transactions*” on pages 196 of this Draft Red Herring Prospectus, no amount or benefits were paid / given or were intended to be paid / given to our Promoters during the last two years from the date of filing of this Draft Red Herring Prospectus.

COMPANIES / FIRMS WITH WHICH OUR PROMOTERS HAVE DISASSOCIATED IN THE LAST THREE YEARS

M/s Ecolife Pharmaceutical Exports, the Partnership firm was incorporated vide a Partnership deed dated April 15, 2004. The partners of the said Partnership firm were Our Company (Signed by the

Jainesh Jain, the Director on behalf of Company), Bharat Jain & Rachana Jain. The Said Partnership firm has been dissolved vide dissolution deed dated July 30, 2018.

Except for the details mentioned above none of our Promoters have disassociated themselves from any companies, firms or other entities during the last three years preceding the date of the Draft Red Herring Prospectus.

CHANGE IN THE MANAGEMENT AND CONTROL OF OUR COMPANY

There was no change in management of our Company during five years immediately preceding the date of filing of this DRHP.

OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations includes the following individuals and body corporates:

Individuals related to our Promoters:

Relationship with Promoters	Jainesh Jain	Kanaklata Jain
Father	Trilok Chand Jain	Mohanlal Jain
Mother	Kanaklata Jain	Late Smt. Mohan Bai
Brother	Bharat Jain	Rajesh Jain
		Bhanwar Jain
		Abhay Kumar Jain
Sister	-	Usha Bafna
Spouse	Varsha Jain	Trilok Chand Jain
Son	Ritik Jain	Jainesh Jain
	Jyotirmay Jain (Minor)	Bharat Jain
Daughter	-	-
Spouse's Father	Late Shri Ashok Bohra	Late Shri Sobhagmal Jain
Spouse's Mother	Pushpa Bhora	Late Smt Mattubai
Spouse's Brother	Sandeep Bohra	Late Shri Sujanmal Ji
	Abhay Bohra	Late Shri Basantlalji
		Late Shri Bhurelalji
		Late Shri Sagarmal ji
Spouse's Sister	-	Late Smt. Sundarbai Nareliya

Following form part of our promoter group Entities:-

1. Ecolife Herbals Care Private Limited
2. T. K. Estates Private Limited
3. Univive Healthcare Private Limited
4. Jainesh kumar Trilok Chand Jain HUF
5. Trilok Chand Sobhagmal Jain HUF
6. Trilok Jain & Co. (Partnership firm of Trilok Chand Jain & Bharat Jain)
7. M/s Naman Agency (Proprietorship of Abhay Bohra)
8. M/s Stone Shree Industries (Proprietorship of Abhay Kumar Jain)
9. M/s Varsha Cookeries (Proprietorship of Varsha Jain)
10. M/s Ronak Agency (Proprietorship of Rajesh Jain)
11. Kanhaiyalal Mohanlal (Proprietorship of Mohanlal Jain)
12. Mattubai Sobhagmal Sarvjanik Parmarthik Trust

OTHER CONFIRMATION:

None of our Promoters have been declared as a fugitive economic offender under the provisions of section 12 of the Fugitive Economic Offenders Act, 2018.

Our Promoters and members of our Promoter Group have not been declared as Wilful Defaulters.

There are no violations of Securities Law committed by our Promoters in past or no proceedings for violation of securities laws are pending against them.

None of the Promoters, Promoter Group entities, directors or Group Companies have been debarred or prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoters and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company which is prohibited from accessing or operating in capital markets or debarred from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Other than for certain loans availed by our Company, for which our Promoters, have provided personal guarantees towards security, as of the date of this Draft Red Herring Prospectus, our Promoters have not provided any guarantees to third parties. For further details, please refer to the chapter titled “Financial Indebtedness” beginning on page 213 of Draft Red Herring Prospectus.

Except as disclosed in “Related Party Transactions” on page 194 of this Draft Red Herring Prospectus, our Promoters are not related to any of the sundry debtors or are not beneficiaries of Loans and Advances given by/to our Company.

OUR GROUP COMPANIES

In accordance with the provisions of the SEBI (ICDR) Regulations, for the purpose of identification of “Group Companies”, our Company has considered companies as covered under the applicable accounting standards, i.e. Accounting Standard 18 issued by the Institute of Chartered Accountant of India as per our Restated Financial Information and such other companies as considered material by our Board.

Pursuant to a resolution of our Board dated August 1, 2019, for the purpose of disclosure in offer document for the Issue, a company shall be considered material and disclosed as a ‘Group Company’ if (i) companies in which the investment in the form of equity or loan by our Company exceeds 10% of the net worth of our Company for the last audited financial year; (ii) where our Company has entered into one or more transactions with such company in the last audited financial year, cumulatively exceeding 10% of the total revenue of our Company for the last audited financial year ; and (iii) any other company which the Board may decide to consider material.

Based on the above, **Univive Healthcare Private Limited** is the only Group Company:

CONFIRMATIONS

Unless otherwise specifically stated in this section, our Group Company (i) isn’t listed on any stock exchange in India or abroad; (ii) haven’t completed any public or rights issue in the preceding three years; (iii) have become a sick company within the meaning of the erstwhile SICA; (iv) is not are under winding-up; (v) haven’t not become defunct; (vi) haven’t made an application to the relevant registrar of companies in India in whose jurisdiction such Group Company is registered in the five years preceding the date of filing this Draft Red Herring Prospectus with SEBI, for striking off its name; (vii) haven’t received any significant notes from the auditors; (viii) didn’t had a negative net worth as of the date of their last audited financial statements, or (ix) doesn’t not have any pending litigation which has material impact on our Company.

OUR GROUP COMPANY

The Details of our Group Company is provided below:

1. Univive Healthcare Private Limited (“UHPL”)

Corporate Information

Univive Healthcare Private Limited (UHPL) was incorporated as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated on February 20, 2003 bearing registration No. U24232MP2003PTC015593. The registered office of UHPL is situated at Plot no. 323, Sector E Sanwar Road, Industrial Area, Indore - 452010, Madhya Pradesh. The Corporate Identification Number of UHPL is U24232MP2003PTC015593. The current authorised capital is Rs. 49 lakhs and paid up share capital is Rs. 35 lakhs.

Main Objects of the Company:

The main objects of UHPL are as follows:

1. To carry on the business of Chemists, druggists manufacturers of and dealers in pharmaceutical, medical, chemical, veterinary preparations, compounds and formulation and dealers, manufacturers of all surgical scientific equipment, appliances, accessories and to buy, sell, import export all the aforesaid and deals in scents, toilet requisites and to act as research centers, medical colleges, hospitals dispensaries, Central Government and State Governments in India and for any other society or person authority and as supplies of the above to any person anywhere in India or elsewhere.
2. To carry on the business of manufacturers of and dealers in, including export and import of Chemotherapeutics, such as anti- T.B. drugs like INHPAS Ethambutol Hydrochloride, Pyrazinamide etc., antimalarials, like chloroquin and its salts; Amodiaquin etc., anti-fungals, anti-bacterials, like Chloramphenicol and its salts, Sulphamethoxazole, Trimethoprim; Ampicillin and its derivatives, Amoxycillin, anti-cancer diabetics like solbutamide,

chloropropamide, Glybenchamida, all types of analgesics, antipyretics and anti-inflammatory drugs like paracetamol, aspirin, Pbyny lbutazone, Oxphenebutazone, Ibuprofen, Dextroprooxyphene and its derivatives, Diuretics like Frusemide, Acetazolamide; Tranquillisers like Diazepam, Pethidine etc. Andrenertic drugs like Ardrenaline, Glucocorticoid drugs like Dexametbasone and its derivatives, Predinsolone, Phenylephrine and its derivaties, Antiviral drugs; Antiprotozoal; anti-amebic and Antidiarbeal drugs, Hematinics, Sulpha drugs, Natural and synthetic steroids and anti-diarhocal drugs, Hemainicis, Sulpha drugs, Anti-leprotics like Dapsone and Clofazimine and Bronchodilators and anti-astamatics, and Drugs used in the treatment of disorders of Cardiovascular system, Alimen-tary system, Central Nervous system, Musculoskeletal systems, Genito-Uninary system Respiratory systems, Allergic Conditions, all type of alkaloids like Strychine, Brucine, all types of vitamins like Nicotinamide, Thimine with its derivatives and all the formulation like tablets and injectables capsules, liquids, dry syrups etc., of these drugs including anti- biotics; and as well as drugs and dye intermediate compounds and to carry on business of drugs on loan license basis.

Board of Directors:

1. Bharat Jain
2. Rachana Jain

Nature and Extent of Interest of Promoters:

Mr. Bharat Jain member of our Promoter group holds 2,48,500 Equity shares of Rs. 10 each aggregating to 71%, and Mrs. Rachana Jain Sister-in-law of our Promoter Jainesh Jain and daughter-in-law of our Promoter Kanaklata Jain holds 1,01,500 Equity shares of Rs. 10 each aggregating to 29%, of UHPL and are also the directors of UHPL.

Our Promoters have no interest in the company except to the extent of directorships and shareholding of their relatives in the group company.

Financial Information:

(Rs. in lakhs except per share figures)

Particulars	For the year ended March 31		
	2019	2018	2017
Equity Share Capital (3,50,000 Equity shares of Rs. 10 each)	35.00	35.00	35.00
Reserves and Surplus (excluding revaluation reserves)	219.96	192.43	165.48
Sales	472.37	409.16	279.68
Profit After Tax	27.53	26.95	7.44
Earnings Per Share (Basic and Diluted)	7.87	7.70	2.12
Net Asset Value (In Rs.)	72.85	64.98	57.28

Significant Notes of Auditor

There are no significant notes of the Auditors in relation to the aforementioned financial statements.

LITIGATION AGAINST GROUP COMPANY

Except as mentioned in the chapter titled 'Outstanding Litigation and Material Developments' beginning on page 215 of this Draft Red Herring Prospectus, Our Group Company is not involved in any litigations which have a material impact on our Company.

LOSS MAKING GROUP COMPANIES

Our Group Company has not made any loss in the immediately preceding year.

DEFUNCT/ STRUCK-OFF COMPANY

Our Group Company has not remained defunct and no application has been made to the Registrar of Companies for striking off its name during the five years preceding the date of filing the Draft Red Herring Prospectus with Stock exchange.

NATURE AND EXTENT OF INTEREST OF OUR GROUP COMPANIES

Interest in the promotion of our Company

Except as disclosed in “Related Party Transactions” on page 194, our Group Company does not have any interest in the promotion or any business or other interests in our Company. For further details in relation to the shareholding of our Group Company in our Company, please refer to the chapter titled “Capital Structure” on page 67 of this Draft Red Herring Prospectus.

Interest in the properties acquired or proposed to be acquired by our Company in the past three years or proposed to be acquired

Except as mentioned in the chapter titled "Our Business" under the heading Land & Property beginning on page 123 of this Draft Red Herring Prospectus, our Group Company does not have any interest in the properties acquired or proposed to be acquired by our Company in the three years preceding the filing of Draft Red Herring Prospectus or proposed to be acquired by our Company as of the date of this Draft Red Herring Prospectus.

Interest in the transactions for acquisition of land, construction of building and supply of machinery

Our Group Company is not interested in any transaction for acquisition of land, construction of building or supply of machinery.

COMMON PURSUITS

Except as otherwise disclosed in this Draft Red Herring Prospectus, our Group Company does not have any interest in the promotion or formation of our Company. Univive Healthcare Private Limited is authorised to carry on business activities, similar to that of our Company, pursuant to the provisions of their respective memorandum of association or charter documents.

Further, we get the job work done for two products i.e. Ornidazole and Guaifenesin from Univive Healthcare Private Limited vide a Job Work agreement dated April 26, 2019. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and our group Company in circumstances where our respective interests diverge. As and when conflicts arise, we will examine similar viable solutions under applicable law and as determined by our Board of Directors.

However the Job Work agreement entered with Univive Healthcare Private Limited provides that: *Univive Healthcare Private Limited will neither manufacture and sale for themselves such products manufactured by Unidrug Innovative Pharma Technologies Limited nor through any other party during the tenure of Job Work Agreement.*

Related Business transactions between our Company & Group Company and significance on the financial performance of our Company

Except as disclosed in “Related Party Transactions” on page 194 of this Draft Red Herring Prospectus, there are no related business transactions of our Company with its Group Company and significance of the same on the financial performance of our Company.

Business interests of group companies/ subsidiaries/ associate companies in our Company

Other than as disclosed in “Related Party Transactions” on page 194 of this Draft Red Herring Prospectus, our Group Company/ subsidiaries/associate companies does not have any interests in the business of our Company or interest of any other nature as on the date of this Draft Red Herring Prospectus.

Payment or benefit to our Group Company

Except as stated in chapter titled "Related Party Transactions" beginning on page 194 of this Draft Red Herring Prospectus, there has been no payment of benefits to our group companies during the financial years ended, March 31, 2019, March 31, 2018 and March 31, 2017.

OTHER DISCLOSURE

Further our Group Company has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

Our Group Company has not been identified as willful defaulter as defined under the SEBI ICDR Regulations.

RELATED PARTY TRANSACTION

For details on related party transactions please refer to Annexure Z – Related Party Transactions of Restated Financial Statement under the section titled, “Financial Statements” beginning on page 196 of this Draft Red Herring Prospectus.

DIVIDEND POLICY

Under the Companies Act, 2013, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. Under the Companies Act, 2013 dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion but not limited to the earnings, applicable legal restrictions etc.. Our Company has not paid any dividend during the last three financial years and as on the date of filing of this Draft Red Herring Prospectus.

Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the record date are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

SECTION VI – FINANCIAL STATEMENTS
FINANCIAL STATEMENT AS RESTATED

Sr. No.	Details	Page. No.
1	Restated Financial Statements	F1-F43

INDEPENDENT AUDITORS' REPORT AS REQUIRED BY SECTION 26 OF COMPANIES ACT, 2013 READ WITH RULE 4 OF COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014)

To,

The Board of Directors,

M/s Unidrug Innovative Pharma Tech. Ltd.

Plot No. 84, Sector E, Sanwer Road,

Indore (MP) - 452001

Dear Sir/s,

1. Report on Restated Financial Statements

We have examined the Restated Financial Statements of **Unidrug Innovative Pharma Tech. Ltd.** (hereinafter referred as "the Company"), which comprise of the Restated Summary Statement of Assets and Liabilities, Statement of Profit and Loss and the Statement of Cash Flows for the year ended on March 31, 2019, 2018 & 2017 and the Summary of the Significant accounting policies approved by the Board of Directors annexed to this report have been prepared in accordance with the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules");
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations"); and
 - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended from time to time (the Guidance Note)
2. The Restated Summary Statements and Financial information of the Company have been extracted/ prepared by the management from the Audited Financial Statements of the Company for the financial year ended on March 31, 2019, March 31, 2018 & March 31, 2017 which have been approved by the Board of Directors.

3. Financial Information as per Audited Financial Statements:

- 1) We have examined:
 - i. The attached **Restated Statement of Assets and Liabilities** of the Company, as at March 31, 2019, March 31, 2018 & March 31, 2017 (**Annexure I**);
 - ii. The attached **Restated Statement of Profits and Losses** of the Company for the financial year ended on March 31, 2019, March 31, 2018 & March 31, 2017 (**Annexure II**);
 - iii. The attached **Restated Statement of Cash Flows** of the Company for the financial year ended on March 31, 2019, March 31, 2018 & March 31, 2017 (**Annexure III**);
 - iv. The attached **Restated Statement of Changes in Equity and Profit & loss** of the Company for the financial year ended on March 31, 2019, March 31, 2018 & March 31, 2017 (**Annexure IV**);
 - v. The Significant Accounting Policies adopted by the Company and notes to the **Restated Financial Statements** along with adjustments on account of audit qualifications / adjustments / regroupings. (**Annexure V**);

(Collectively hereinafter referred as **“Restated Financial Statements”** or **“Restated Summary Statements”**)

- 2) In accordance with the requirements of sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the SEBI Regulations, the Revised Guidance Note on Reports in Company Prospectus and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India (the ‘ICAI’) and the terms of our engagement agreed with you, we report that:
- a) The **“Restated Statement of Assets and Liabilities”** as set out in Annexure I to this report, of the Company as at March 31, 2019, March 31, 2018 and March 31, 2017 are prepared by the Company and approved by the Board of Directors. This Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure V** to this Report.
 - b) The **“Restated Statement of Profit and Loss”** as set out in Annexure II to this report, of the Company for the financial year ended on March 31, 2019, March 31, 2018 and March 31, 2017 are prepared by the Company and approved by the Board of Directors. This Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure V** to this Report.
 - c) The **“Restated Statement of Cash Flow”** as set out in Annexure III to this report, of the Company for the financial year ended on March 31, 2019, March 31, 2018 and March 31, 2017 are prepared by the Company and approved by the Board of Directors. This Statement of Cash Flow, as restated, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in **Annexure V** to this Report.

Based on the above and also as per the reliance placed by us on the audited financial statements of the company and Auditors Report thereon which have been prepared by Statutory Auditor of the Company for the financial year ended on March 31, 2019, March 31, 2018 and March 31, 2017 we are of the opinion that **“Restated Financial Statements”** or **“Restated Summary Statements”** have been made after incorporating:

- (i) Adjustments for any material amounts in the respective financial years have been made to which they relate; and
- (ii) There are no Extra-ordinary items except as shown in the Restated Profit & Loss Statement of that need to be disclosed separately in the Restated Summary Statements.
- (iii) Adjustments on account of the statutory audit qualifications, if any, have been adjusted and regrouped to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure V to this Report.
- (iv) Adjustments in Financial Statements have been made in accordance with the correct accounting policies, which includes the impact of provision of gratuity made on actuarial valuation basis in the Restated Financial statements.
- (v) There are no revaluation reserves, which need to be disclosed separately in the **“Restated Financial Statements”**.

- (vi) The Company has not paid any dividends on its equity shares since its incorporation.
- (vii) Adjustments for prior period and other material amounts in the respective financial years to which they relate and there are no qualifications which require adjustments.

4. Other Financial Information:

1. We have also examined the following financial information as set out in annexure prepared by the Management and as approved by the Board of Directors of the Company for financial year ended on March 31, 2019, March 31, 2018 and March 31, 2017.

Restated Statement of Share Capital	Annexure-A
Restated Statement of Reserves And Surplus	Annexure-B
Restated Statement of Long Term and Short Term Borrowings	Annexure-C, C (A) & C (B)
Restated Statement of Deferred Tax (Assets) / Liabilities	Annexure-D
Restated Statement of Long Term Provisions	Annexure-E
Restated Statement of Trade Payables	Annexure-F
Restated Statement of Other Current Liabilities	Annexure-G
Restated Statement of Short Term Provisions	Annexure-H
Restated Statement of Fixed Assets	Annexure-I
Statement of Non-Current Investments	Annexure-J
Restated Statement of Long-Term Loans & Advances	Annexure-K
Restated Statement of Inventories	Annexure-L
Restated Statement of Trade Receivables	Annexure-M
Restated Statement of Cash & Cash Equivalents	Annexure-N
Restated Statement of Short-Term Loans & Advances	Annexure-O
Restated Statement of Other Current Assets	Annexure-P
Restated Statement of Revenue of Operation	Annexure-Q
Restated Statement of Other Income	Annexure-R
Restated Statement of Cost of Materials Consumed	Annexure-S
Restated Statement of Changes in Inventories	Annexure-T
Restated Statement of Employee Benefits Expenses	Annexure-U
Restated Statement of Finance Costs	Annexure-V
Restated Statement of Other Expenses	Annexure-W
Restated Statement of Mandatory Accounting Ratios	Annexure-X
Restated Statement of Capitalization	Annexure-Y
Restated Statement of Related party transaction	Annexure-Z
Restated Statement of Tax shelter	Annexure-AA
Restated Statement of Contingent liabilities	Annexure-AB

2. The Restated Financial Information contain all the disclosures required by the SEBI ICDR regulations and partial disclosures as required by Accounting Standards notified under the Companies Act, 1956 of India read with the General Circular 15/ 2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Act.
3. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company in accordance with the provisions of the Act and the Financial Information referred to above is the responsibility of the management of the Company
4. In our opinion, the above financial information contained in Annexure I to Annexure IV and Annexure A to AB of this report read along with the Restated Statement of Significant Accounting Policies and related Notes as set out in Annexure V are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with Section 26 of the Act, read with the applicable provisions within Rule - 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, the SEBI Regulations, The Revised Guidance

Note on Reports in Company Prospectuses and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India (“ICAI”) to the extent applicable, as amended from time to time, and in terms of our engagement as agreed with you. We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.

5. Consequently the financial information has been prepared after making such regroupings and retrospective adjustments as were, in our opinion, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
6. The report should not in any way be construed as a re-issuance or re-drafting of any of the previous audit report, nor should this constructed as a new opinion on any of the financial statements referred to herein.
7. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
8. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO-SME for Proposed Issue of Equity Shares of the Company and our report should not be used, referred to or adjusted for any other purpose without our written consent.

For: **S N Gadiya & Co.**
Chartered Accountants
FRN: 002052C

Sd/-
SN Gadiya
Proprietor
Membership No. 071229

Place: Indore
Date: August 31st, 2019

ANNEXURE - I
RESTATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in lakhs)

Particulars	As at		
	31-03-2019	31-03-2018	31-03-2017
I. EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	196.60	196.60	196.60
Reserves and Surplus	802.30	480.21	330.97
Share Application Money Pending Allotment	-	-	-
Non Current Liabilities			
Long-term Borrowings	96.24	60.02	78.00
Deferred Tax Liabilities (Net)	35.96	35.47	58.56
Other Long Term Liabilities	0.00	0.00	0.00
Long-term Provisions	17.73	16.70	14.47
Current Liabilities			
Short-term Borrowings	349.41	212.17	287.44
Trade Payables	364.34	679.46	479.88
Other Current Liabilities	29.32	41.16	57.80
Short-term Provisions	28.46	56.09	2.71
Total	1920.35	1777.89	1506.44
II. ASSETS			
Non Current Assets			
Fixed assets			
(i) Tangible Assets	301.15	266.63	287.33
(ii) Intangible Assets	0.00	0.00	0.00
(iii) Capital Work-In-Progress	6.92	0.00	0.00
Non Current Investments	0.00	0.00	22.00
Deferred Tax Assets (Net)	0.00	0.00	0.00
Long-term Loans and Advances	82.96	162.78	123.62
Other Non Current Assets	0.00	0.00	0.00
Current Assets			
Current Investments	0.00	0.00	0.00
Inventories	441.14	328.03	212.52
Trade Receivables	956.72	919.28	786.26
Cash and Bank Balance	94.82	88.36	44.81
Short-term Loans and Advances	23.75	10.90	27.91
Other Current Assets	12.89	1.89	1.99
Total	1920.35	1777.89	1506.44

Note:- The above statement should be read with Notes to Restated Summary Statement of Profit and Loss, Cash Flows and Significant Accounting Policies appearing in Annexures II, III and IV.

As per our report of even date
For: **S N Gadiya & Co.**
Chartered Accountants
FRN: 02052C

For and on behalf of the Board of Directors
For Unidrug Innovative Pharma Tech. Ltd.

Sd/-
S N Gadiya
Proprietor
Membership No. 071229

Sd/-
Jainesh Jain
Managing Director
DIN:02355170

Sd/-
Varsha Jain
Director
DIN:00255907

Place: Indore
Date: August 31st, 2019

ANNEXURE - II
RESTATED STATEMENT OF PROFIT AND LOSS

(₹ in lakhs)

Particulars		For the Year Ended		
		31-03-2019	31-03-2018	31-03-2017
Revenue from Operations		3085.98	3250.34	2623.49
Other Income		16.27	7.18	26.82
Total Revenue	A	3102.25	3257.52	2650.32
Expenses:				
Cost of materials consumed		1808.16	2186.61	1802.17
Purchase of Stock-in-Trade		0.00	0.00	0.00
Changes in Inventory		-58.66	-48.66	140.84
Employee Benefits Expense		215.34	176.73	124.35
Finance Costs		30.99	23.01	61.47
Other Expenses		628.15	674.97	464.76
Depreciation And Amortization Expense		28.14	18.28	22.74
Total Expenses	B	2652.12	3030.94	2616.33
Profit before exceptional and extraordinary items and tax (A-B)	C	450.13	226.58	33.98
Exceptional Items				
- Loss on Investment		0.00	-22.00	0.00
Profit before extraordinary items and tax		450.13	204.58	33.98
Extraordinary item		0.00	0.00	0.00
Profit Before Tax		450.13	204.58	33.98
Less: Tax Expense				
- Current Tax		127.55	78.43	6.48
- MAT Credit Entitlement		0.00	0.00	-2.31
- Deferred Tax Liability / (Asset)		0.49	-23.09	6.34
Restated profit after tax for the period from continuing operations		322.09	149.23	23.47
Profit/ (Loss) from Discontinuing operation		0.00	0.00	0.00
Tax expenses of discontinuing operations		0.00	0.00	0.00
Restated profit for the period		322.09	149.23	23.47
Earning Per Equity Share				
Basic		4.20	1.95	0.31
Diluted		4.20	1.95	0.31

Note:- The above statement should be read with Notes to Restated Summary Statement of Asset and Liabilities, Cash Flows and Significant Accounting Policies appearing in Annexures I, III and IV.

As per our report of even date attached

For: S N Gadiya & Co.

Chartered Accountants

FRN: 02052C

For and on behalf of the Board of directors

For Unidrug Innovative Pharma Tech. Ltd.

Sd/-

S N Gadiya

Proprietor

Membership No. 071229

Sd/-

Jainesh Jain

Managing Director

DIN:02355170

Sd/-

Varsha Jain

Director

DIN:00255907

Place: Indore

Date: August 31st, 2019

ANNEXURE - III
RESTATED CASH FLOW STATEMENT

(₹ in lakhs)

Particulars	For the Year Ended		
	31-03-2019	31-03-2018	31-03-2017
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax	450.13	204.58	33.98
Adjustment for Non-Cash and Non Operating Items :			
Interest income	-6.27	-4.57	-5.44
Fixed Asset write-off	0.67	66.01	0.00
Net (Profit) / Loss by Sale of Fixed Asset	0.00	0.00	-0.88
Net (Profit) / Loss by Sale of Investment	0.00	22.00	0.00
Depreciation	28.14	18.28	22.74
Interest on Borrowed Fund & Finance Charges	30.99	23.01	61.47
Operating profit before working capital changes	503.66	329.31	111.87
Adjustment for change in Net current Assets :			
(Increase)/Decrease in Inventories	-113.12	-115.50	156.15
(Increase)/Decrease in Trade Receivables	-37.44	-133.02	-45.60
(Increase)/Decrease in Long Term loans and advances	79.83	-39.17	17.56
(Increase)/Decrease in Short Term loans and advances	-12.85	17.00	-27.24
(Increase)/Decrease in Other Current Assets	-11.00	0.09	-1.99
Increase/(Decrease) in trade payables	-315.12	199.58	-105.07
Increase/(Decrease) in Short Term Provisions	-29.67	-2.35	1.94
Increase/(Decrease) in other current liabilities	-11.85	-16.64	-3.42
Increase/(Decrease) in Other Non Current Assets	0.00	0.00	0.00
Increase/(Decrease) in other Long Term Liabilities	0.00	0.00	0.00
Increase/(Decrease) in Long Term Provision	1.02	2.23	2.17
	-450.19	-87.78	-5.49
Cash generated from / (used in) operations	53.47	241.53	106.38
Income Tax (paid)/refund	-125.50	-22.70	-8.45
Net cash generated from/(used in) operating activities - (A)	-72.03	218.83	97.93
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of tangible fixed assets	-70.25	-63.59	-40.85
Sale of fixed assets	0.00	0.00	1.25
(Increase)/Decrease in Current Investments	0.00	0.00	0.00
(Increase)/Decrease in other Non-Current Investment	0.00	0.00	0.00
Interest Income	6.27	4.57	5.44
Net cash (used in) Investing Activities - (B)	-63.98	-59.02	-34.15
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of Share Capital	0.00	0.00	0.00
Proceeds from Loan/Repayment of Long Term Borrowing	36.21	-17.98	-33.25
Increase/(Decrease) in Short Term Borrowings	137.24	-75.27	-6.47
Interest on Borrowed Fund & Finance Charges	-30.99	-23.01	-61.47
Net cash(used in) / from financing activities - (C)	142.46	-116.26	-101.19
Net Increase/(decrease) in Cash & Cash Equivalents (A+B+C)	6.46	43.55	-37.42
Cash and cash equivalents at the beginning of the year	88.36	44.81	82.23
Cash and cash equivalents at the end of the year	94.82	88.36	44.81
Cash and cash equivalents at the end of year comprises :			
Cash in hand	4.61	2.90	2.24
Balances with scheduled banks:			
In current accounts	0.90	9.05	11.46
In Deposits with Scheduled Bank	32.06	31.42	0.00
As Margin Money	57.25	45.00	31.11
Total Cash and cash equivalents	94.82	88.36	44.81

Notes:-

- The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard -3 on Cash Flow Statement, specified under 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 above statement should be read with Notes to Restated Summary Statement of Asset and Liabilities, Statement of Profit and Loss, and Significant Accounting Policies as appearing in Annexures I, II and IV.

As per our report of even date attached

For: S N Gadiya & Co.

Chartered Accountants

FRN: 02052C

For and on behalf of the Board of directors

For Unidrug Innovative Pharma Tech. Ltd.

Sd/-

S N Gadiya

Proprietor

Membership No. 071229

Sd/-

Jainesh Jain

Managing Director

DIN:02355170

Sd/-

Varsha Jain

Director

DIN:00255907

Place: Indore

Date: August 31st, 2019

ANNEXURE IV: STATEMENT OF NOTES TO THE RESTATED FINANCIAL INFORMATION

Restatement adjustments, Material regroupings and Non-adjusting items

(₹ in lakhs)

(a) Impact of restatement adjustments

Below mentioned is the summary of results of restatement adjustments made to the audited financial statements of the respective years and its impact on profits.

(i)

Particulars	For the year ended 31 March		
	2019	2018	2017
Profit after tax as per audited financial statements	322.04	166.70	20.21
Adjustments to net profit as per audited financial statements			
Prior period expenses (refer note (b)(i) below)			
- Depreciation	0.00	11.74	5.02
- Deferred Tax Adjustment	1.02	-3.00	-1.25
- Rates and taxes	-0.97	-26.20	-0.52
- Gratuity Adjustment	0.00	-2.39	-2.29
- Mat Credit Adjustment	0.00	0.00	2.31
- Adjustment in fixed asset write off	0.00	2.39	0.00
Total adjustments	0.05	-17.46	3.26
Restated profit after tax for the period/ years	322.09	149.23	23.47

Note:

A positive figures represents addition and figures in brackets represents deletion in the corresponding head in the audited financial statements for respective reporting periods to arrive at the restated numbers.

(ii) Opening adjustment in Surplus in Profit & Loss Account as on 1-Apr-16

Particulars	Amount
Opening Reserve & Surplus 1-Apr-16	201.51
Add: Deferred Tax Adjustment	5.91
Add: Income Tax Provision	0.67
Less: Gratuity	-13.11
Less: Depreciation	-4.68
Restated Reserve & Surplus 1-Apr-16	190.30

(iii) Reconciliation Between Restated Equity and Audited Equity:

Particulars	For the year ended 31 March		
	2019	2018	2017
Equity as per Audited Balance Sheet	1012.97	702.22	535.52
Difference due to change in Profit & Loss Account	0.05	-17.46	3.26
Prior Period Adjustments	-14.13	-7.95	-11.21
Equity as per Restated balance Sheet	998.90	676.81	527.57

(b) Explanatory notes for the restatement adjustments

(i)

In the audited financial statements for the year ended 31st March, 2019, 31st March 2018 and 31st March 2017 the Company had accounted for certain transactions as prior period items. Accordingly, in the preparation of the Restated Financial Information, the effect of these prior period items have been appropriately adjusted to the results of the respective year/ period to which these items pertain to.

(ii)

Pursuant to Companies Act, 2013 ('the Act') being effective from April 1, 2014, the Company had to revise depreciation rates on tangible fixed assets as per useful life specified in Part 'C' of Schedule II of the Act from 1st April 2014 but the company had not adopted the same and while restating the same and correcting the rates of depreciation in previous years and following years, the figures of depreciation in restated statements has been a changed.

(iii)

Due to changes in treatment of depreciation, gratuity and effective rates of taxes, etc., the Company has recalculated the deferred tax liability and deferred tax assets at the normal rate of tax applicable at the end of relevant year.

(c) Material regrouping

(i)

With effect from April 1 2014, Schedule III notified under the Companies Act, 2013 has become applicable to the Company for preparation and presentation of its financial statements. The adoption of Schedule III does not impact recognition and measurement principles followed for preparation of financial statements. Further, there is no significant impact on the presentation and disclosures made in the financial statements on adoption of Schedule III as compared to Revised Schedule VI.

(ii)

Appropriate adjustments have been made in the Restated Financial Information, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended).

(d)

Modifications in the auditor's report and statements/comments included in the Annexures to the Audit Report on the audited financial statements of the Company for the years ended 31st March 2019, 31st March 2018 and 2017, which do not require any corrective adjustments in the Restated Standalone Financial Information are as follows:

ANNEXURE-V
SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED SUMMARY STATEMENTS

A. BACKGROUND

Unidrug Innovative Pharma Technologies Ltd. Is a closely held public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company carries on its business of manufacturing of pharmaceutical ingredients, intermediates and chemicals.

B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Restated Summary Statement of Assets and Liabilities of the Company as March 31, 2019, March 31, 2018 and March 31, 2017 and the Restated Summary Statement of Profit and Loss and Restated Summary Statements of Cash Flows for the year ended on March 31, 2019, March 31, 2018 and March 31, 2017 and the annexure thereto (collectively, the “**Restated Financial Statements**” or “**Restated Summary Statements**”) have been extracted by the management from the Financial Statements of the Company for the year ended on March 31, 2019, March 31, 2018 and March 31, 2017.

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).

2. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

3. FIXED ASSETS

The company has adopted cost model as prescribed in Accounting Standard AS-10 (Revised) “Property, Plant & Equipment”.

Recognition

The cost of an item of property, plant and equipment is recognized as an asset if, and only if:

- (a) it is probable that future economic benefits associated with the item will flow to the enterprise; and
- (b) the cost of the item can be measured reliably.

Subsequent Cost

The Company recognizes in the carrying amount of an item of Property, Plant & Equipment, the cost of replacing a part of an item, when that cost is incurred provided the recognition criteria as mentioned above are met. The carrying amount of those parts that are replaced is derecognized in accordance with the de-recognition provisions mentioned in the Accounting Standard. The cost of day to day servicing of an item of Property, Plant & Equipment is recognized in the Statement of Profit & Loss as and when incurred.

Measurement

Fixed assets are stated at acquisition cost less accumulated depreciation. The cost of fixed assets comprises its purchase price including import duties and other non-refundable taxes or levies and any directly, attributable cost of bringing the asset to the working condition for its intended use.

Capital Work in Progress

Capital Work-In-Progress includes the cost of fixed assets that are not ready to use at the Balance Sheet date. Advances paid for Capital Assets are not considered as Capital Work-in-Progress but classified as Long Term Advances.

4. DEPRECIATION

Tangible Fixed Assets

Depreciation on tangible fixed assets is computed based on useful life as specified in Part 'C' of Schedule - II of the Companies Act 2013

5. BORROWING COSTS

The borrowing costs that are directly attributable to the acquisition, construction or productions of a qualifying asset are capitalized as part of the cost of that asset. The amount of borrowing cost eligible for capitalization is determined in accordance with Accounting Standard (AS) 16-Borrowing Costs issued by the Institute of Chartered Accountants of India (ICAI) and specified u/s 133 of the Act read with Rule 7 of the Companies (Accounts) Rule, 2014.

6. IMPAIRMENT OF ASSETS

The Company assesses at each balance sheet date whether there is any indication that an asset or a group of assets (Cash Generating Unit) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or a group of assets. If such recoverable amount of the asset or the recoverable amount of the Cash Generating Unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit & Loss. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

7. 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.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

8. WORK IN PROGRESS

Work in progress are valued at cost. The cost of inventories comprise all costs of purchase including duties and taxes (other than those subsequently recoverable from the taxing authorities), conversion cost, Salaries, Site expenses and other costs incurred in bringing the project to their present location and condition.

9. REVENUE RECOGNITION

- (a) Sales are recognised, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax whenever its applicable.
- (b) Income from Services recognised on billing basis. WIP is recognised on the basis of cost incurred on the project.
- (c) Interest income is recognized on the time proportion basis taking into account the amount outstanding and the rate applicable.

10. EMPLOYEE BENEFITS

The Company's provident fund schemes are defined contribution plans. The contributions paid/payable under the schemes are recognized immediately in the Statement of Profit and Loss.

The employees' gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined at each Balance Sheet date based on actuarial valuation carried out by an independent actuary using Projected Unit Credit (PUC) method. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss. Past service cost is recognized as an expense on a straight line basis over the average period until the benefit becomes vested. To the extent the benefits are already vested past service cost is recognized immediately. The Company does not have any system of accumulation of unutilized privilege leave applicable to its employees and no provision is made for the same.

11. ACCOUNTING FOR TAXES ON INCOME

Tax expenses for the current year comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act 1961. Deferred tax is recognized, on timing differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

12. CONTINGENT LIABILITIES AND PROVISIONS

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for

- a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or
- b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

Disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

13. EARNINGS PER SHARE:

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

The number of shares used in computing Diluted earnings per share comprises the weighted average number of shares considered for computing Basic Earnings per share and also the weighted number of equity shares that would have been issued on conversion of all potentially dilutive shares.

In the event of issue of bonus shares, or share split the number of equity shares outstanding is increased without an increase in the resources. The number of Equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.

14. CASH FLOW:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

C. CHANGES IN ACCOUNTING POLICIES IN THE PERIODS/YEARS COVERED IN THE RESTATED FINANCIALS

There is no change in significant accounting policies adopted by the Company.

D. NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS

1. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
2. Additional information pursuant to provisions of paragraph 5 of schedule III of the Companies Act, 2013.

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
Value of Raw Material imported	7,52,75,598	9,29,57,069	8,14,16,840
Value of Capital goods imported	10,00,000	35,63,684	NIL
<u>Expenditure in Foreign Currency</u>	1,31,522	NIL	NIL
<u>Earning in Foreign Exchange</u> <u>F O B value of exports</u>	1,00,49,243	1,08,78,165	96,86,615

3. Employee Benefits

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
Profit and Loss Account			
Net employee benefit expense (recognized in Employee Cost)			
Current service cost	1,95,611	1,84,018	1,70,450
Interest cost on benefit obligation	1,37,923	1,19,389	1,01,632
Expected Return on plan assets	-	-	-
Net Actuarial (gain)/ loss recognized in the year	(1,02,032)	18,120	(42,953)
Net benefit Paid	-	(82,385)	-
Present value of the obligation at the end of the period	20,11,150	17,79,648	15,40,506
Balance Sheet			
Net liability recognised in the balance sheet			
Defined benefit obligation	20,11,150	17,79,648	15,40,506

The estimate of future salary increase, considered in the actuarial valuation, takes account of inflation, security, promotion and other relevant factors such as supply and demand in the employment market.

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
The principal assumptions used in determining benefit obligations are shown below:	-	-	-
Discount rate	7.75%	7.75%	7.75%
Expected rate of return on assets	-	-	-
Withdrawal rate	5.00%	5.00%	5.00%
Expected rate of Salary increase	5.00%	5.00%	5.00%
Mortality Pre-retirement	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate

4. Segment Reporting (AS 17)

As per the definition of Business Segment and Geographical Segment contained in Accounting Standard 17 “Segment Reporting”, the management is of the opinion that the Company’s operation comprises of operating in Primary and Secondary market and incidental activities thereto, there is

neither more than one reportable business segment nor more than one reportable geographical segment, and, therefore, segment information as per Accounting Standard 17 is not required to be disclosed.

5. Related Party Disclosure (AS 18)

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure – Z of restated financial statements.

6. Earnings Per Share (AS 20):

Earnings per Share have been calculated is reported in the Annexure –X of the enclosed financial statements.

7. Accounting for Taxes on Income (AS 22)

Deferred Tax liability/Asset in view of Accounting Standard –22: “Accounting for Taxes on Income”, in the Annexure – D of restated financial statements.

8. Contingent Liabilities and Contingent Assets (AS 29)

Contingent liabilities and commitments (to the extent not provided for) in the Annexure – AB of restated financial statements.

9. Material Adjustments [As Per SEBI (ICDR) Regulations, 2018]

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Company Act 2013 and Accounting Standards.

The Summary of results of restatements made in the audited financial statements of the Company for the respective years and their impact on the profit / (loss) and assets and liabilities of the Company is given in the Annexure – IV of restated financial statements.

10. Realizations:

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets, loans and advances will, in the ordinary course of business, not be less than the amounts at which they are stated in the Balance sheet.

11. Contractual liabilities

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

12. Amounts in the financial statements

Amounts in the financial statements are rounded off to nearest Lakhs. Figures in brackets indicate negative values.

For: **S N Gadiya & Co.**

Chartered Accountants

FRN: 002052C

Sd/-

SN Gadiya

Proprietor

Membership No. 071229

Place: Indore

Date: August 31st, 2019

ANNEXURE – A
RESTATED STATEMENT OF SHARE CAPITAL

(₹ in lakhs)

Particulars	As at		
	31-03-2019	31-03-2018	31-03-2017
Share Capital			
Authorised Share Capital			
Equity shares of Rs.10 each	1000.00	1000.00	
Equity shares of Rs.1 each			500.00
Issued, Subscribed and Paid up Share Capital			
Equity shares of Rs.10 each	196.60	196.60	
Equity shares of Rs.1 each			196.60
Total	196.60	196.60	196.60

1. Terms/rights attached to equity shares:

i. The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share.

ii. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

3. During the financial year 2017-18 company has changed the denomination of equity shares having face value of Rs. 1 per share into face value of Re. 10 per share

4. The company has issued Bonus shares in proportion of 2.9 equity shares for every 1 existing equity shares at the Annual General Meeting held on August 23, 2019 by capitalizing the Reserves and Surplus A/c. Consequently, Equity share capital has since then risen to Rs. 7,66,74,000/-.

5. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

6. The reconciliation of the number of shares outstanding as at: -

Particulars	As at		
	31-03-2019	31-03-2018	31-03-2017
Number of shares at the beginning	19,66,000	196,60,000	196,60,000
Add: Right Shares issued during the year		-	-
Less: Change the per share value from Rs. 1/- to Rs. 10/- each	-	(176,94,000)	-
Number of shares at the end*	19,66,000	19,66,000	196,60,000
* Change in denomination			

6. The detail of shareholders holding more than 5% of Shares as at: -

Name of Share Holder	As at (No of Shares)		
	31-03-2019	31-03-2018	31-03-2017
Mrs. Kanaklata Jain	14,12,640	14,12,840	141,28,400
	71.86%	71.86%	71.86%
Mr. T C Jain	1,72,200	1,72,200	17,22,000
	8.76%	8.76%	8.76%
Mrs. Varsha Jain	2,79,000	2,79,000	27,90,000
	14.19%	14.19%	14.19%
Mr. Jainesh Jain	98,820	98,820	9,88,200
	5.03%	5.03%	5.03%

ANNEXURE – B
RESTATED STATEMENT OF RESERVES AND SURPLUS

(₹ in lakhs)

Particulars	As at		
	31-03-2019	31-03-2018	31-03-2017
Reserve & Surplus			
A) General Reserve	387.20	87.20	87.20
Add: Addition During Year	0.00	300.00	0.00
Less: Utilised During the Year	0.00	0.00	0.00
Total (A)	387.20	387.20	87.20
B) Share Premium Account	30.00	30.00	30.00
Add: Addition During Year	0.00	0.00	0.00
Less: Utilised During the Year	0.00	0.00	0.00
Total (B)	30.00	30.00	30.00
C) Surplus in Profit and Loss account			
Opening Balance	63.01	213.77	190.30
Add: Profit for the year	322.09	149.23	23.47
Less: Utilised During the Year	0.00	0.00	0.00
Less: Transfer to Reserve	0.00	-300.00	0.00
Total (C)	385.10	63.01	213.77
Total (A+B+C)	802.30	480.21	330.97

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. Company does not have any Revaluation Reserve.
3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, I, II and III.

ANNEXURE - C
RESTATED STATEMENT OF LONG TERM AND SHORT TERM BORROWINGS

(₹ in lakhs)

Particulars	As at		
	31-03-2019	31-03-2018	31-03-2017
Long Term Borrowings			
Secured Loan from Bank			
Term Loan	2.04	0.00	0.00
Vehicle Loan	24.25	0.00	0.00
Total	26.29	0.00	0.00
Unsecure Loan from Directors and Related Parties			
From Directors and Related Parties	19.50	60.02	78.00
ICD from related Party	50.45	0.00	0.00
Total	69.95	60.02	78.00
Grand Total	96.24	60.02	78.00
Short Term Borrowings			
Secured Loan Repayable on Demand	349.41	212.17	287.44
Total	349.41	212.17	287.44
Current portion of long-term borrowings, included under Other Current Liabilities			
Term Loans (Secured)	0.40	0.00	0.00
Vehicle Loans (Secured)	3.83	0.00	0.00
The above amount includes:			
Secured Borrowings	379.93	212.17	287.44
Unsecured Borrowings	69.95	60.02	78.00

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and V.
3. List of persons/entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
4. The terms and conditions and other information in respect of Secured & Unsecured Loans are given in Annexure -C (A) & C(B)

ANNEXURE - C (A)
RESTATED STANDALONE STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

Name of Lender	Purpose	Loan A/c No.	Sanctioned Amount	Rate of interest	Primary Security	Collateral/ Other Security	Re-Payment Schedule (Months)	Moratorium (Months)	Outstanding amount as on 31.03.2019 as per Books	Outstanding amount as on 31.03.2018 as per Books	Outstanding amount as on 31.03.2017 as per Books
Secured Loan											
Kotak Mahindra Bank Ltd	Business	9912058277	525.00 Lacs	8.45%	Hypothecation (Stock, Book Debts)	Note 1	CC Account	nil	349.41	212.17	287.44
State Bank of India	Vehicle Loan	38018118424	35 .00 Lacs	9.00%	Hypothecation (car)	Nil	84 months in total	nil	28.07	-	-
Kotak Mahindra Bank Ltd	Term Loan - Godown Renovation	5933TL0100000179	125.00 Lacs	9.50%	Godown	Nil	60 months (Including 6months of moratorium)	nil	2.45	-	-
							Total		379.93	212.17	287.44

Note 1:

Primary Security:

First and exclusive charge on all present and future current assets and fixed asset of the company.

Collateral Security:

Equitable Mortgage Of The Following Immovable Properties Owned By The Borrower And/or Its Directors/Partners/Promoters/Guarantors

ASSET DETAIL TYPE OF PROPERTY/ ASSET	TYPE OF CHARGE	VALUATION DATE	VALUATION AMOUNT	ADDRESS	NAME OF THE OWNER OF PROPERTY	RELATIONSHIP OF OWNER OF PROPERTY TO COMPANY/PROMOTER
Industrial Property at plot No. 84A, Sector -E, Industrial Area, Sanwer Road, Indore	First	10.02.2017	187.98 Lacs	Plot No. 84A, Sector -E, Industrial Area, Sanwer Road, Indore	Unidrug Innovative Pharma Technologies Ltd	Company
Industrial Property at plot No. 84B, Sector -E, Industrial Area, Sanwer Road, Indore	First	10.02.2017	121.22 Lacs	Plot No. 84B, Sector -E, Industrial Area, Sanwer Road, Indore	Unidrug Innovative Pharma Technologies Ltd	Company
Industrial Property at plot No. 72B, Sector -E, Industrial Area, Sanwer Road, Indore	First	10.02.2017	97.12 Lacs	Plot No. 72B, Sector -E, Industrial Area, Sanwer Road, Indore	Unidrug Innovative Pharma Technologies Ltd	Company
Residential property at Ground Floor, Flat at Plot No. 12/2, Gali No. 2, Pagnispaga, Indore.	first	10.02.2017	49.20 Lacs	Ground Floor, Flat at Plot No. 12/2, Gali No. 2, Pagnispaga, Indore.	Mrs. kanaklata Jain	Promoter
Residential property at 25, Chandralok Extn., Manishpuri Indore.	first	10.02.2017	176.00 Lacs	25, Chandralok Extn., Manishpuri Indore.	Mrs. kanaklata Jain	Promoter
Residential property on plot No. 2, 55-2C, New Palasia, Indore.	first	10.02.2017	171.00 Lacs	Plot No. 2, 55-2C, New Palasia, Indore.	Mr. Jainesh jain	Promoter

ANNEXURE-C (B)
RESTATED STANDALONE STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS

(₹ in lakhs)

Details of Unsecured Loans outstanding as at the end of the latest Reporting period from Banks/Financial Institutions/Directors/Promoters/Promoter Group /Associates/Relatives of Directors/Group Companies/other entities						
Name of Lender	Purpose	Rate of interest	Re-Payment Schedule (months)	Outstanding amount as on 31.03.2019	Outstanding amount as on 31.03.2018	Outstanding amount as on 31.03.2017
From Related Parties:						
Jainesh Jain (Director)	Business	0.00%	Repayable on demand	-	3.02	1.00
Kanaklata Jain (Director)	Business	0.00%	Repayable on demand	-	5.00	5.00
Varsha Jain (Director)	Business	0.00%	Repayable on demand	1.50	1.50	1.50
Bharat Jain	Business	0.00%	Repayable on demand	1.50	1.50	1.50
T C Jain	Business	0.00%	Repayable on demand	16.50	38.00	-
T C Jain	Business	15.00%	Repayable on demand	-	-	38.00
Trilok Chand Sobhagmal jain (HUF)	Business	0.00%	Repayable on demand	-	11.00	31.00
Univive Healthcare pvt Ltd	Business	12.00%	Repayable on demand	50.45	-	-
TOTAL				69.95	60.02	78.00

ANNEXURE - D**RESTATED STANDALONE STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES**
(₹ in lakhs)

Particulars	For Year Ended		
	31-03-2019	31-03-2018	31-03-2017
Opening Balance (A)			
Opening Balance of Deferred Tax (Asset) / Liability	35.47	58.56	52.22
Current Year Provision (B)			
(DTA) / DTL on Depreciation	1.20	-22.21	6.64
(DTA) / DTL on Provision for Gratuity & Bonus	-0.71	-0.88	-0.30
Closing Balance of Deferred Tax (Asset) / Liability (A+B)	35.96	35.47	58.56

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and V.

ANNEXURE - E
STATEMENT OF LONG TERM PROVISIONS

(₹ in lakhs)

Particulars	As at		
	31-03-2019	31-03-2018	31-03-2017
Provision for Gratuity	17.73	16.70	14.47
Total	17.73	16.70	14.47

Notes:

- 1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and V.

ANNEXURE - F
STATEMENT OF TRADE PAYABLES

(₹ in lakhs)

PARTICULARS	As at		
	31-03-2019	31-03-2018	31-03-2017
Micro, Small and Medium Enterprises	79.61	205.17	100.77
Others	284.73	474.29	379.11
Total	364.34	679.46	479.88

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and V.

ANNEXURE - G
STATEMENT OF OTHER CURRENT LIABILITIES

(₹ in lakhs)

PARTICULARS	As at		
	31-03-2019	31-03-2018	31-03-2017
Current Maturities of Long term Debt			
Secured Loan	4.23	0.00	0.00
Statutory Dues Payable	4.36	2.24	3.78
Creditors for Expenses	0.00	20.67	34.22
Salary Payable	11.09	10.51	15.80
Other Payable	3.62	3.70	0.27
Payable to Related Parties	0.00	2.61	3.73
Advance From Buyers	6.01	1.44	0.00
Total	29.32	41.16	57.80

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and V.

ANNEXURE - H
STATEMENT OF SHORT TERM PROVISIONS

(₹ in lakhs)

PARTICULARS	As at		
	31-03-2019	31-03-2018	31-03-2017
Provision for Income Tax	26.08	54.99	1.77
Provision for Gratuity	2.39	1.09	0.94
Total	28.46	56.09	2.71

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and V.

ANNEXURE - I
STATEMENT OF FIXED ASSETS

(₹ in lakhs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2016	ADDITION	DEDUCTION	AS AT 31.03.2017	UP TO 31.03.2016	FOR THE YEAR	DISPOSAL OF ASSET	UP TO 31.03.2017	AS AT 31.03.2017	AS AT 31.03.2016
Tangible Assets										
Land:										
Lease Hold	1.21	0.00	0.00	1.21	0.00	0.00	0.00	0.00	1.21	1.21
Land Development	1.82	0.00	0.00	1.82	0.00	0.00	0.00	0.00	1.82	1.82
Building	97.57	0.00	0.00	97.57	37.48	2.92	0.00	40.40	57.17	60.09
Plants & Equipments	370.87	31.90	0.00	402.77	184.05	15.02	0.00	199.08	203.69	186.82
Furnitures & Fixtures	5.81	0.00	0.00	5.81	4.93	0.22	0.00	5.15	0.66	0.88
Vehicles	37.45	7.00	7.34	37.11	22.42	3.79	6.97	19.24	17.88	15.03
Office Equipments	5.94	0.00	0.00	5.94	5.64	0.00	0.00	5.64	0.30	0.30
Tubewell	2.16	0.00	0.00	2.16	0.53	0.06	0.00	0.59	1.57	1.63
Electrical Installations	9.20	0.00	0.00	9.20	8.49	0.09	0.00	8.58	0.62	0.71
Computers & Pheripherals	8.06	1.95	0.00	10.01	6.95	0.65	0.00	7.60	2.41	1.11
Total	540.10	40.85	7.34	573.61	270.50	22.74	6.97	286.27	287.33	269.60

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2017	ADDITION	DEDUCTION	AS AT 31.03.2018	UP TO 31.03.2017	FOR THE YEAR	DISPOSAL OF ASSET	UP TO 31.03.2018	AS AT 31.03.2018	AS AT 31.03.2017
Tangible Assets										
Land:										
Lease Hold	1.21	0.00	0.00	1.21	0.00	0.00	0.00	0.00	1.21	1.21
Land Development	1.82	0.00	0.00	1.82	0.00	0.00	0.00	0.00	1.82	1.82
Building	97.57	0.00	0.00	97.57	40.40	2.92	0.00	43.32	54.26	57.17
Plants & Equipments	402.77	51.86	76.09	378.54	199.08	9.72	10.08	198.72	179.82	203.69
Furnitures & Fixtures	5.81	0.00	0.00	5.81	5.15	0.10	0.00	5.25	0.56	0.66
Vehicles	37.11	10.11	0.00	47.22	19.24	4.35	0.00	23.58	23.64	17.88
Office Equipments	5.94	0.00	0.00	5.94	5.64	0.00	0.00	5.64	0.30	0.30
Tubewell	2.16	0.00	0.00	2.16	0.59	0.06	0.00	0.65	1.51	1.57
Electrical Installations	9.20	0.00	0.00	9.20	8.58	0.09	0.00	8.67	0.54	0.62
Computers & Pheripherals	10.01	1.62	0.00	11.63	7.60	1.04		8.64	2.98	2.41
Total	573.61	63.59	76.09	561.11	286.27	18.28	10.08	294.48	266.63	287.33

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2018	ADDITION	DEDUCTION	AS AT 31.03.2019	UP TO 31.03.2018	FOR THE YEAR	DISPOSAL OF ASSET	UP TO 31.03.2019	AS AT 31.03.2019	AS AT 31.03.2018
(i) Tangible Assets										
Land:										
Lease Hold	1.21	0.00	0.00	1.21	0.00	0.00	0.00	0.00	1.21	1.21
Land Development	1.82	0.00	0.00	1.82	0.00	0.00	0.00	0.00	1.82	1.82
Building	97.57	0.00	0.00	97.57	43.32	2.92	0.00	46.23	51.34	54.26
Plants & Equipments	378.54	17.07	0.00	395.61	198.72	20.63	0.00	219.35	176.27	179.82
Furnitures & Fixtures	5.81	0.98	0.00	6.79	5.25	0.16	0.00	5.41	1.38	0.56
Vehicles	47.22	44.04	13.45	77.81	23.58	2.95	12.78	13.76	64.06	23.64
Office Equipments	5.94	0.19	0.00	6.13	5.64	0.03	0.00	5.68	0.45	0.30
Tubewell	2.16	0.00	0.00	2.16	0.65	0.06	0.00	0.71	1.45	1.51
Electrical Installations	9.20	0.00	0.00	9.20	8.67	0.08	0.00	8.74	0.46	0.54
Computers & Pheripherals	11.63	1.05	0.00	12.68	8.64	1.32	0.00	9.97	2.71	2.98
Total	561.11	63.34	13.45	611.00	294.48	28.14	12.78	309.84	301.15	266.63
(ii) Capital Work in Progress	0.00	6.92	0.00	6.92	0.00	0.00	0.00	0.00	6.92	0.00
Total	0.00	6.92	0.00	6.92	0.00	0.00	0.00	0.00	6.92	0.00
Grand Total	561.11	70.25	13.45	617.91	294.48	28.14	12.78	309.84	308.07	266.63

ANNEXURE - J
STATEMENT OF NON-CURRENT INVESTMENTS

(₹ in lakhs)

PARTICULARS	As at		
	31-03-2019	31-03-2018	31-03-2017
Other Investments			
Investment in Partnership Firm	0.00	0.00	22.00
Total	0.00	0.00	22.00

Note:-

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, I, II and III.

ANNEXURE - K
STATEMENT OF LONG-TERM LOANS AND ADVANCES

(₹ in lakhs)

PARTICULARS	As at		
	31-03-2019	31-03-2018	31-03-2017
Balance With Statutory Authorities	76.78	157.28	118.38
Security Deposits	6.18	5.50	5.24
Total	82.96	162.78	123.62

Note:-

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, I, II and III.

ANNEXURE - L
STATEMENT OF INVENTORIES

(₹ in lakhs)

PARTICULARS	As at		
	31-03-2019	31-03-2018	31-03-2017
Raw Material	220.43	160.01	99.17
Work In Progress	104.64	134.90	69.38
Finished Goods	114.86	25.94	42.80
Stores & Spares	1.21	7.17	1.18
Total	441.14	328.03	212.52

Note:-

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, I, II and III.
3. Inventory has been valued at cost or NRV which ever is lower.

ANNEXURE - M
STATEMENT OF TRADE RECEIVABLES

(₹ in lakhs)

PARTICULARS	As At		
	31-03-2019	31-03-2018	31-03-2017

Outstanding for a period exceeding six months **(Unsecured and considered Good)**

From Directors/Promoters/ Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	-
Others	0.54	1.33	7.49
(Unsecured and considered Doubtful)			
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	-
Others	-	-	-

Outstanding for a period not exceeding 6 months **(Unsecured and considered Good)**

From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	-
Others	956.18	917.95	778.78
Total	956.72	919.28	786.26

Note:-

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, I, II and III.

ANNEXURE - N
STATEMENT OF CASH & CASH EQUIVALENT

(₹ in lakhs)

PARTICULARS	As at		
	31-03-2019	31-03-2018	31-03-2017
Cash in Hand	4.61	2.90	2.24
Balances with Banks			
- In Current Accounts	0.90	9.05	11.46
- Deposits (less than 1 Year)	32.06	31.42	0.00
- As Margin Money	57.25	45.00	31.11
Total	94.82	88.36	44.81

Note-:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, I, II and III.

ANNEXURE - O
STATEMENT OF SHORT-TERM LOANS AND ADVANCES

(₹ in lakhs)

PARTICULARS	As at		
	31-03-2019	31-03-2018	31-03-2017
Advances (Unsecured & Considered Good)			
Advance to Employees	0.70	0.63	0.07
Advances to Suppliers	21.24	9.56	0.00
Prepaid Expenses	1.81	0.72	0.53
MAT Credit Entitlement	0.00	0.00	2.31
Security Deposits (Unsecured & Considered Good)			
Deposit to Related Party	0.00	0.00	25.00
Total	23.75	10.90	27.91

Note:-

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, I, II and III.

ANNEXURE - P
STATEMENT OF OTHER CURRENT ASSETS

(₹ in lakhs)

PARTICULARS	As at		
	31-03-2019	31-03-2018	31-03-2017
Interest Accrued	0.29	0.22	0.00
Other Assets	12.60	1.67	1.99
Total	12.89	1.89	1.99

Note-:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, I, II and III.

ANNEXURE - Q
STATEMENT OF REVENUE FROM OPERATIONS

(₹ in lakhs)

PARTICULARS	For the Year Ended		
	31-03-2019	31-03-2018	31-03-2017
Manufactured Goods			
Exports	104.38	113.15	105.09
Domestic	2981.61	3135.67	2514.00
Total	3085.98	3248.83	2619.08
Other Operating Revenue			
DEPB Premium	0.00	0.05	0.00
Export Incentive	0.00	1.46	4.41
Total	0.00	1.51	4.41
Total	3085.98	3250.34	2623.49

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, I, II and III.

ANNEXURE - R
STATEMENT OF OTHER INCOME

(₹ in lakhs)

PARTICULARS	For the Year Ended		
	31-03-2019	31-03-2018	31-03-2017
Other Income			
Recurring Income			
Interest on			
- Bank deposits	6.27	4.57	5.44
Non-Recurring Income			
Scrap Sale	0.00	0.00	2.86
Insurance Claim	0.00	0.11	0.00
Sale of Fixed Asset	0.00	0.00	0.88
Foreign Exchange Rate Difference	4.72	0.00	0.00
Export Incentive	3.61	0.00	0.00
Miscellaneous Income	0.00	2.50	17.30
Sundry Balances Write-off	1.66	0.00	0.34
Total	16.27	7.18	26.82

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and
2. Nature of above other incomes are related to business only.
3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, I, II and III.

ANNEXURE - S
STATEMENT OF COST OF MATERIAL CONSUMED

(₹ in lakhs)

PARTICULARS	For the Year Ended		
	31-03-2019	31-03-2018	31-03-2017
Raw Materials' Consumption			
Opening Stock	160.01	99.17	110.78
Add: Purchases	1754.46	2075.56	1665.28
Add: Direct Expenses	78.08	135.44	97.88
Less: Closing Stock	-220.43	-160.01	-99.17
Total (A)	1772.12	2150.15	1774.77
Packing Materials' Consumption			
Opening Stock	0.00	0.00	0.00
Add: Purchases	36.04	36.47	27.40
Less: Closing Stock	0.00	0.00	0.00
Total (B)	36.04	36.47	27.40
Total (A+B)	1808.16	2186.61	1802.17

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, I, II and III.

ANNEXURE - T

STATEMENT OF CHANGE IN INVENTORIES

(₹ in lakhs)

PARTICULARS	For the Year Ended		
	31-03-2019	31-03-2018	31-03-2017
Work in Progress			
Opening Inventory	134.90	69.38	83.75
Less: Closing Inventory	-104.64	-134.90	-69.38
Total (A)	30.26	-65.52	14.38
Finished Goods			
Opening Inventory	25.94	42.80	169.26
Less: Closing Inventory	-114.86	-25.94	-42.80
Total (B)	-88.92	16.86	126.46
Total (A+B)	-58.66	-48.66	140.84

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, I, II and III.

ANNEXURE - U
STATEMENT OF EMPLOYEE BENEFIT EXPENSES

(₹ in lakhs)

PARTICULARS	For the Year Ended		
	31-03-2019	31-03-2018	31-03-2017
Salaries, Wages , Bonus Etc	169.04	150.66	104.47
Director's Remuneration	36.85	16.20	12.00
Gratuity	2.32	3.22	2.29
Contribution to P.F, E.S.I and Other Statutory Funds	7.13	6.66	5.59
Total	215.34	176.73	124.35

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, I, II and III.

ANNEXURE - V
STATEMENT OF FINANCE COST

(₹ in lakhs)

PARTICULARS	For the Year Ended		
	31-03-2019	31-03-2018	31-03-2017
Interest Expenses	24.69	11.79	46.40
Other Expenses	6.30	11.23	15.07
Total	30.99	23.01	61.47

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, I, II and III.

ANNEXURE - W
STATEMENT OF OTHER EXPENSES

(₹ in lakhs)

PARTICULARS	For the Year Ended		
	31-03-2019	31-03-2018	31-03-2017
Other Expenses			
Consumptions of Store and Spares	69.49	69.93	20.57
Power and Fuel	137.76	120.47	92.65
Repairs to Machinery	25.74	11.63	21.31
Repairs to Building	6.25	0.30	0.69
Insurance	3.72	3.05	2.63
Rates and Taxes	3.09	1.49	3.03
Advertisement Expenses	0.15	0.10	0.21
Freight Outward	4.54	3.83	5.59
Rate Difference & Brokerage	24.97	36.91	45.66
Exchange Difference	0.00	11.66	0.77
Security Expenses	7.64	8.07	6.50
Vehicle Expenses	0.60	0.60	0.56
Postage	1.07	1.02	0.73
Legal & Professional Expenses	19.96	14.00	16.43
Conveyance Expenses	1.30	1.76	1.82
Telephone Expenses	1.17	1.54	0.93
Stationary& Printing Expenses	1.79	0.40	1.35
Processing charges	301.24	285.94	229.83
Plant & Machinery Write-off	0.00	66.01	0.00
Laboratory Expenses	7.26	3.29	3.51
Sales Tax After Assessment	1.52	0.00	0.00
Statutory & Tax Audit Fees	0.35	0.30	0.30
Office Expenses	8.55	7.52	9.67
Bad Debts	0.00	25.16	0.00
Total	628.15	674.97	464.76

Audit Fee Details:

Particulars	18-19	17-18	16-17
Statutory Audit fee	0.30	0.25	0.25
Tax Audit fee	0.05	0.05	0.05
Total	0.35	0.30	0.30

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, I, II and III.

ANNEXURE - X
STATEMENT OF MANDATORY ACCOUNTING RATIOS

(₹ in lakhs except share data)

PARTICULARS	As at		
	31-03-2019	31-03-2018	31-03-2017
Net Worth (A)	998.90	676.81	527.57
Restated Profit after tax	322.09	149.23	23.47
Adjusted Profit after Tax (B)	322.09	149.23	23.47
Number of Equity Share outstanding as on the End of Year/Period (C)	76,67,400	76,67,400	766,74,000
Weighted average no of Equity shares at the time of end of the year (D)	76,67,400	76,67,400	766,74,000
Current Assets (E)	1529.32	1348.47	1073.49
Current Liabilities (F)	771.53	988.88	827.84
Face Value per Share (in ₹)	10.00	10.00	10.00
Restated Basic and Diluted Earning Per Share (₹) (B/D) As per denomination ₹ 1/- per share Refer Note 1 given below	-	-	0.03
Restated Basic and Diluted Earning Per Share (₹) (B/D) As per denomination ₹ 10/- per share Refer Note 1 given below	4.20	1.95	0.31
Return on Net worth (%) (B/A)	32.24	22.05	4.45
Net asset value per share (A/C) As per denomination ₹ 1/- per share	-	-	0.69
Net asset value per share (A/C) As per denomination ₹ 10/- per share	13.03	8.83	6.88
Adjusted Net asset value per share based on Weighted average number of share (A/D) As per denomination ₹ 1/- per share	-	-	0.69
Adjusted Net asset value per share based on Weighted average number of share (A/D) As per denomination ₹ 10/- per share	13.03	8.83	6.88
Current Ratio (E/F)	1.98	1.36	1.30

Note:-

1) The ratios have been computed as below:

- (a) Basic earnings per share (₹) - : Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year
- (b) Diluted earnings per share (₹) - : Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS
- (c) Return on net worth (%) - : Net profit after tax (as restated) / Net worth at the end of the period or year
- (d) Net assets value per share - : Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year
- (e) Net assets value per share - : Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year (after split and bonus issue)
- i) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.
- ii) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).

2) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, I, II and III.

3) The company has issued Bonus shares in proportion of 2.9 equity shares for every 1 existing equity shares at the Annual General Meeting held on August 23, 2019 by capitalizing the Reserves and Surplus A/c. Consequently, Equity share capital has since then risen to ₹ 7,66,74,000/-.

ANNEXURE - Y
STATEMENT OF CAPITALISATION

(₹ in lakhs)

PARTICULARS	Pre-Issue 31-Mar-19	Post-Issue (Refer Note no. 5 below)
Debt		
Short Term Debt	349.41	[●]
Long Term Debt	100.47	[●]
Total Debt	449.88	[●]
Shareholders' Fund (Equity)		
Share Capital	196.60	[●]
Reserves & Surplus	802.30	[●]
Total Shareholders' Fund (Equity)	998.90	[●]
Long Term Debt/Equity	0.10	[●]
Total Debt/Equity	0.45	[●]

Notes:

1. Short term Debts represent debts which are expected to be paid/payable within 12 months.
2. Long term Debts represent debts other than Short term Debts as defined above.
3. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
4. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, I, II and III.
5. The post issue debt equity ratio will be computed on the conclusion of book building process.
6. Long Term Debt includes current maturity of long term debts.

ANNEXURE - Z
STATEMENT OF RELATED PARTY TRANSACTION

(i) Details of Related Parties

1) Key Management Personnel's (KMP):

- 1 Mr. Jainesh Jain - Managing Director
- 2 Mrs. Varsha Jain - Director
- 3 Mrs. Kanaklata Jain* (resigned wef 20-09-18) - director
- 4 Mr Bharat Jain (Director wef 20-9-18) - Director (Professional)
- 5 Mr. Mahesh Nabar (CFO wef 01-08-2018)
- 6 Ms Pooja Ajmera (company Secretary wef 31-07-18 to 25-10-18)

2) Relative of KMP's

- 1 Mr. Trilok Chand Jain
- 2 Trilokchand Sobhagmal Jain HUF

3) Company/entity owned or significantly influenced by directors/ KMP

- 1 Trilok Jain & Co.
- 2 Univive Healthcare Pvt. Ltd
- 3| Herb and Pharma Enterprises (Prop :- Mr. Mahesh nabar)

(ii) Disclosure in Respect of Related Party Transactions during the year :

(₹ in lakhs)

Name of Related Party	Relation with Party	FY 18-19	FY 17-18	FY 16-17
Remuneration Paid				
Mr. Jainesh Jain	KMP	36.85	16.20	12.00
Ms. Pooja Ajmera	KMP	0.43	-	-
Mr. Mahesh Nabar	KMP	4.44	0.00	0.00
Total		41.72	16.20	12.00
Consultancy Charges Paid				
Mr. Trilok Chand Jain	Relative of KMP	-	2.40	7.20
Trilok Jain & Co.	Significant influence of KMP	10.20	6.80	-
Total		10.20	9.20	7.20
Interest Paid				
Univive Healthcare Pvt. Ltd.	Significant influence of KMP	1.61	-	0.00
Mr. Trilok Chand Jain	Relative of KMP	-	-	5.16
Total		1.61	-	5.16
Purchase				
Herb and Pharma Enterprises (Prop :- Mr. Mahesh nabar)	KMP	372.64	0.00	0.00
Univive Healthcare Pvt. Ltd.	Significant influence of KMP	178.02	126.27	66.52
Total		550.66	126.27	66.52
Jobwork				
Univive Healthcare Pvt. Ltd.	Significant influence of KMP	289.21	278.75	228.63
Total		289.21	278.75	228.63
Loan Repaid during the year				
Mrs. Kanaklata Jain	Relative of KMP	5.00	-	30.00
Trilokchand Sobhagmal Jain HUF	Relative of KMP	11.00	20.00	18.00
Mr. Jainesh Jain	KMP	3.03	-	0.52
Mr. Trilok Chand Jain	Relative of KMP	24.00	387.00	124.65
Total		43.03	407.00	173.17
Loan Taken during the year				
Trilokchand Sobhagmal Jain HUF	Relative of KMP	-	-	18.00
Mr. Jainesh Jain	KMP	-	2.03	1.00
Mr. Trilok Chand Jain	Relative of KMP	2.50	387.00	124.65
Univive Healthcare Pvt. Ltd.	Significant influence of KMP	50.45	-	-
Total		52.95	389.03	143.65
Deposit Given during the year				
Univive Healthcare Pvt. Ltd.	Significant influence of KMP	-	-	25.00
Total		-	-	25.00
Deposit Received Back during the year				
Univive Healthcare Pvt. Ltd.	Significant influence of KMP	-	25.00	-
Total		-	25.00	-

(iii) Disclosure in Respect of Related Party Balances at the end of the year :

Unsecured Loan as on 31-Mar				
Mrs. Kanaklata Jain	Relative of KMP	-	5.00	5.00
Trilokchand Sobhagmal Jain HUF	Relative of KMP	-	11.00	31.00
Mr. Jainesh Jain	KMP	-	3.03	1.00
Mrs. Varsha Jain	KMP	1.50	1.50	1.50
Mr. Bharat Jain	KMP	1.50	1.50	1.50
Mr. Trilok Chand Jain	Relative of KMP	16.50	38.00	38.00
Univive Healthcare Pvt. Ltd.	Significant influence of KMP	50.45	-	-
Total		69.95	60.03	78.00
Advance to Supplier as on 31-Mar				
Herb and Pharma Enterprises (Prop :- Mr. Mahesh nabar)	Significant influence of KMP	17.0	-	-
Total		17.0	-	-
Deposit Given as on 31-Mar				
Univive Healthcare Pvt. Ltd.	Significant influence of KMP	-	-	25.00
Total		-	-	25.00
Sundry Creditors as on 31-Mar				
Mr. Trilok Chand Jain	Relative of KMP	-	2.61	3.73
Univive Healthcare Pvt. Ltd.	Significant influence of KMP	57.33	189.52	98.61
Total	F41	57.33	192.13	102.34

ANNEXURE - AA
STATEMENT OF TAX SHELTER

(₹ in lakhs)

PARTICULARS	As at		
	31-03-2019	31-03-2018	31-03-2017
Net Profit/(Loss) before taxes as restated	450.13	204.58	33.98
Net Business Taxable Income (A)	450.13	204.58	33.98
Tax Rate Applicable % (B)	27.82%	27.56%	30.90%
Minimum Alternate Taxes (MAT)	20.59%	20.39%	19.06%
Tax thereon at Normal rates (C=A*B)	125.23	56.38	10.50
Permanent Differences			
Disallowed u/s 40a	0.00	0.00	0.00
Disallowed u/s 40	0.00	0.00	0.04
Addition under section 28 to 44DA	0.00	0.00	0.00
Disallowed U/s 36(1)/37	0.00	88.01	-0.88
Total Permanent Difference (D)	0.00	88.01	-0.85
Timing Differences			
Depreciation as per Income Tax	-24.41	-30.01	-43.35
Allowed/Disallowed u/s 43(b)	1.41	1.35	-1.33
Depreciation as per Books	28.14	18.28	22.74
Employee Benefit	2.32	2.39	2.29
Net Timing Difference (E)	7.46	-7.99	-19.64
Total Adjustment (F=D+E)	7.46	80.02	-20.49
Tax Liability on Adjustment (F*B)	2.08	22.05	-6.33
Tax Liability on Non Operating Income	0.00	0.00	0.00
Current Tax for the Year	127.30	78.43	4.17
MAT for the Year	92.68	41.71	6.48
Tax Expenses	127.30	78.43	6.48
Less: Mat Credit Entitlement	0.00	0.00	-2.31
Net Tax Expenses	127.30	78.43	4.17
Tax Expenses as per normal or MAT	Normal	Normal	MAT

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, I, II and III.

ANNEXURE - AB
RESTATED SUMMARY STATEMENT OF CONTINGENT LIABILITIES

(Rs. in lakhs)

PARTICULARS	As at		
	31-03-2019	31-03-2018	31-03-2017
Open Letter of Credit	50.32	42.67	0.00
Total	50.32	42.67	0.00

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures V, I, II and III.

OTHER FINANCIAL INFORMATION

For details on Other Financial Information please refer to “Annexure X - Restated Summary Statement of Accounting Ratios” on page F39 under chapter titled “Restated Financial Information” beginning on Page 196 of this Draft Red Herring Prospectus.

Also for Capitalisation Statement refer the “Annexure Y - Restated Statement of Capitalisation” on page F40 under chapter titled “Restated Financial Information” beginning on Page 196 of this Draft Red Herring Prospectus.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion of our financial position and results of operations together with our Restated Financial Statements which have been included in this Draft Red Herring Prospectus. The following discussion and analysis of our financial position and results of operations is based on our Restated Financial Statements for the years ended March 31, 2019, 2018 and 2017 including the related notes and reports, included in this Draft Red Herring Prospectus prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited financial statements for the respective years. Accordingly, the degree to which our Restated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.

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 described under "Risk Factors" and "Forward Looking Statements" beginning on pages 29 and 22, respectively, and elsewhere in this Draft Red Herring Prospectus.

Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.

BUSINESS OVERVIEW:

Our Company was originally incorporated as "Uni Drug Private Limited" at Indore, as a Private Limited Company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated March 13, 1987 bearing Registration Number 3875, issued by the Registrar of Companies, Gwalior, Madhya Pradesh. Subsequently, our Company was converted into a Public Limited Company pursuant to a special Resolution passed by the shareholders of the Company at the extra-ordinary general meeting held on October 12, 1995 consequent to which the name of our Company was changed to "Uni Drug Limited" vide a fresh Certificate of Incorporation dated December 4, 1995 issued by the Registrar of Companies, Gwalior, Madhya Pradesh bearing Registration Number 10-03875. Further, the name of our Company was changed to "Unidrug Innovative Pharma Technologies Limited" to signify the Company's operations into Pharmaceuticals, pursuant to a special resolution passed by the shareholders of our Company at the extra-ordinary general meeting held on September 14, 1996 vide a fresh Certificate of Incorporation dated September 17, 1996 issued by Registrar of Companies, Gwalior, Madhya Pradesh bearing Registration Number 10-3875. The Corporate Identification Number of our Company is U85120MP1987PLC003875.

We are presently engaged in the manufacturing of APIs and API intermediates for the domestic market as well as for exports to international markets. APIs (Active Pharmaceutical Ingredients), also known as bulk drugs or bulk actives are the principal ingredient used in making finished dosages in the form of capsules, tablets, liquid, or other forms of dosage, with the addition of other APIs or inactive ingredients. Presently our Product portfolio comprises of 11 APIs and API Intermediates such as Allopurinol, Alprazolam, Disulfiram, Etamsylate, Mefenamic Acid, Nitazoxanide, Propranolol HCL, Tinidazole, Baclofen, Guaifenesin and Ornidazole. We get the job work done for two products i.e. Ornidazole and Guaifenesin from our group Company i.e. Univive Healthcare Private Limited under a Job Work agreement.

We develop and manufacture APIs for various therapeutic segments such as Antiprotozoal, Anti-Acute Gout, Anxiolytic, Alcohol Deterrent, Anti-Haemorrhagic, Non-Steroidal, Anti-Inflammatory, Antihypertensive, Anti-Spasmodic, Expectorant; Muscle Relaxant Ant-helminthic and Anti-Infective etc. for the Indian Pharmaceutical Market. Currently, we are one of the leading manufacturers of Tinidazole and Ornidazole which are considered as anti-protozoal molecules, a segment of bulk drug in Indian Pharmaceutical Markets.

Since incorporation in the year 1987, our Company was engaged in the trading of certain pharmaceutical products until it was taken over by our Promoters, Jainesh Jain and Kanaklata Jain in the year 1995 from the erstwhile promoters, Amarlal Navlani and Ushadevi Navlani. Thereafter, we have undertaken manufacturing of APIs on job work basis also from other manufacturers in the initial years along with trading of pharmaceutical products such as Albendazole, Mebendazole, Metronidazole, propylene Glycol etc. until further expansion towards own manufacturing set up.

We further expanded our operations by setting up of manufacturing facility at Plot No. 84 A and Plot No 84 B, Sector-E, Sanwer Road Industrial Area, Village Narval, Tehsil Indore - 452 015, Madhya Pradesh, India for developing and manufacturing APIs and API Intermediate in the FY 1997-98. We started our manufacturing operations in May 1997 with API products such as Chloramphenicol, Chloramphenicol palmitate and Tinidazole. Over a period of time, we have manufactured and developed various APIs thereby increasing our customer base across the domestic and exports markets and creating our product portfolio. We further expanded our facility by purchasing lands adjacent to our facility. In order to capture growing demand for bulk actives in international market and to create a more responsive and cost-effective supply chain, we started our export operations and grown year on year to various countries.

Our manufacturing facility has fully equipped quality control department with experienced and qualified staff to facilitate smooth manufacturing process. We have in-house testing laboratory and necessary infrastructure to test our raw materials and finished products to match the quality standards and as specified by the relevant pharmacopoeia/ customers. We also endeavour to maintain safety in our premises by adhering to key safety norms. Our Company has received Good Manufacturing Practices (GMP) Certificate from the Office of the Controller Food and Drugs Administration, Madhya Pradesh. All the products are being manufactured strictly as per GMP norms using the expertise of our experienced and trained team to provide quality output to our customers at competitive prices.

Our Company has marked its presence in both domestic as well as global markets. We supply our product across all major states in the Country. Also, we export our products to countries such as China, Egypt, Chile, El Salvador, Honduras, Hong Kong, Peru, Santo Domingo, Singapore, Switzerland, Syria, Thailand, Ukraine, Vietnam etc. We are registered as approved vendor to supply APIs or APIs Intermediate with Pharmaceutical Companies such as Cipla Limited, Alkem Laboratories Limited, Mankind Pharma Limited, Cadila Healthcare Limited, Caplin Point Laboratories Limited and many other Pharmaceutical Manufacturers etc. We are also a member of Pharmaceuticals Export Promotion Council of India (PHARMEXCIL)

The promoters of our Company are Jainesh Jain and Kanaklata Jain. They have an adequate experience in the line of the business undertaken by the Company and look after the strategic as well as day to day business operations. Our Promoters believe in the ideology of continuous improvement and development. Also, we believe role of a management team is equally important as to that of our employees for growth of a business, and accordingly we have placed an experienced management team to look after various facets of operations.

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 Red Herring Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the business activities or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as mentioned below:

1. The company has increased the borrowing power to Rs. 15,000.00 lakhs in the Annual General Meeting held on August 23, 2019;
2. Our Company has allotted 57,01,400 Equity shares pursuant to Bonus Issue vide Board Resolution dated August 29, 2019.

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 29 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Highly regulated and controlled industry;
- Fluctuations in Raw materials prices.
- Dependency on few Customers;
- Economic and Demographic conditions; and
- Risk of foreign currency exchange rate fluctuations.

SIGNIFICANT ACCOUNTING POLICIES

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

FIXED ASSETS

The company has adopted cost model as prescribed in Accounting Standard AS-10 (Revised) “Property, Plant & Equipment”.

1. Recognition

The cost of an item of property, plant and equipment is recognized as an asset if, and only if:

- (a) it is probable that future economic benefits associated with the item will flow to the enterprise;
- (b) the cost of the item can be measured reliably.

2. Subsequent Cost

The Company recognizes in the carrying amount of an item of Property, Plant & Equipment, the cost of replacing a part of an item, when that cost is incurred provided the recognition criteria as mentioned above are met. The carrying amount of those parts that are replaced is derecognized in accordance with the de-recognition provisions mentioned in the Accounting Standard. The cost of day to day servicing of an item of Property, Plant & Equipment is recognized in the Statement of Profit & Loss as and when incurred.

3. Measurement

Fixed assets are stated at acquisition cost less accumulated depreciation. The cost of fixed assets comprises its purchase price including import duties and other non-refundable taxes or levies and any directly, attributable cost of bringing the asset to the working condition for its intended use.

4. Capital Work in Progress

Capital Work-In-Progress includes the cost of fixed assets that are not ready to use at the Balance Sheet date. Advances paid for Capital Assets are not considered as Capital Work-in-Progress but classified as Long Term Advances.

DEPRECIATION

Tangible Fixed Assets

Depreciation on tangible fixed assets is computed based on useful life as specified in Part ‘C’ of Schedule - II of the Companies Act 2013

BORROWING COSTS

The borrowing costs that are directly attributable to the acquisition, construction or productions of a qualifying asset are capitalized as part of the cost of that asset. The amount of borrowing cost eligible for capitalization is determined in accordance with Accounting Standard (AS) 16- Borrowing Costs issued by the Institute of Chartered Accountants of India (ICAI) and specified u/s 133 of the Act read with Rule 7 of the Companies (Accounts) Rule, 2014.

IMPAIRMENT OF ASSETS

The Company assesses at each balance sheet date whether there is any indication that an asset or a group of assets (Cash Generating Unit) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or a group of assets. If such recoverable amount of the asset or the recoverable amount of the Cash Generating Unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit & Loss. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

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.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

WORK IN PROGRESS

Work in progress are valued at cost. The cost of inventories comprise all costs of purchase including duties and taxes (other than those subsequently recoverable from the taxing authorities), conversion cost, Salaries, Site expenses and other costs incurred in bringing the project to their present location and condition.

REVENUE RECOGNITION

- (a) Sales are recognized, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax whenever its applicable.
- (b) Income from Services recognized on billing basis. WIP is recognized on the basis of cost incurred on the project.
- (c) Interest income is recognized on the time proportion basis taking into account the amount outstanding and the rate applicable.

EMPLOYEE BENEFITS

The Company's provident fund schemes are defined contribution plans. The contributions paid/payable under the schemes are recognized immediately in the Statement of Profit and Loss.

The employees' gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined at each Balance Sheet date based on actuarial valuation carried out by an independent actuary using Projected Unit Credit (PUC) method. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss. Past service cost is recognized as an expense on a straight line basis over the average period until the benefit becomes vested. To the extent the benefits are already vested past service cost is recognized immediately.

The Company does not have any system of accumulation of unutilized privilege leave applicable to its employees and no provision is made for the same.

ACCOUNTING FOR TAXES ON INCOME

Tax expenses for the current year comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act 1961. Deferred tax is recognized, on timing differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

CONTINGENT LIABILITIES AND PROVISIONS

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for

- a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or
- b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

Disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

EARNINGS PER SHARE:

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

The number of shares used in computing Diluted earnings per share comprises the weighted average number of shares considered for computing Basic Earnings per share and also the weighted number of equity shares that would have been issued on conversion of all potentially dilutive shares.

In the event of issue of bonus shares, or share split the number of equity shares outstanding is increased without an increase in the resources. The number of Equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.

CASH FLOW:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

OVERVIEW OF REVENUE AND EXPENSES

Revenue and Expenses

Our revenue and expenses are reported in the following manner:

Total Revenue

Our Total Revenue comprises of revenue from operations and other income.

Revenue from operations: Our revenue from operations comprises of revenue from manufacturing of APIs and API intermediates for the domestic market as well as for exports to international markets. Our products are the principal ingredient used in making finished dosages in the form of capsules, tablets, liquid, or other forms of dosage, with the addition of other APIs or inactive ingredients. Our Product portfolio comprises of 11 APIs and API Intermediates such as Allopurinol, Alprazolam, Disulfiram, Etamsylate, Mefenamic Acid, Nitazoxanide, Propranolol HCL, Tinidazole, Baclofen, Guaifenesin and Ornidazole. Also our company has other operating income in the form of export incentives and premium on duty entitlement passbook scheme.

Other Income: Our other income comprises of interest on bank deposits which is recurring in nature. Our non-recurring income includes scrap sales, insurance claim receipt, profit on sale of fixed assets, gain on foreign exchange fluctuation, export incentives, sundry balance written-off and other miscellaneous receipts.

Expenses

Our expenses comprise of Cost of materials consumed, purchase of stock-in-trade, changes in inventories of finished goods and work-in-progress, employee benefits expense, finance costs, depreciation & amortisation expense and other expenses.

Cost of material consumed: Cost of material consumed primarily consists of consumption of raw material majorly chemicals in the form of 2,3 Xyladine, 2Methyl 5Nitro Imidazole (2MNI), 2-Ethyl Thio Ethanol (2ETE), Epichlorohydrin, Ethyl Thio Ethanol, Hydrogen Peroxide, Liquor Ammonia, Methanol, Niacin, Ortho Chloro Benzoic Acid, Diethyl Amine, Thionyl Chloride, 2Amino 5Nitro Thiazole, Guaiacol, 2Amino 5Chloro Benzophenol, Chloro Acetyl Chloride (C-Compound), Parachlorobenzaldehyde, Ethylacetoacetate, Alpha Naphthol, Monoisopropyl Amine, Aspirin, Methylene Di Chloride, Hydroquinone, Sulphuric Acid, Triethyl ortho formate, Morpholine, Cyanoacetamide, Hydrazine hydrate Formamide, Isopropylalcohol and Ortho Chloro Benzene Acid to produce final products and also include processing of packing materials for final consumption. We import raw materials majorly from China and Belgium. We also source it through domestic markets.

Changes in inventories of Finished goods and Work-in-Progress: Our change in inventories comprises of change in inventory of finished goods and work in progress as at the beginning and end of the year. Our major finished goods included Allopurinol, Alprazolam, Disulfiram, Etamsylate, Mefenamic Acid, Nitazoxanide, Propranolol HCL, Tinidazole, Baclofen, Guaifenesin and Ornidazole.

Employee benefit expense: Our employee benefit expenses include salary, wages and bonus, contribution to provident fund, ESIC and other statutory funds, director's remuneration and gratuity expenses.

Finance costs: Our finance costs comprise of interest expenses on working capital finance, term loans and vehicle loans and bank charges.

Depreciation & amortisation expenses: Depreciation & amortisation expenses comprise of depreciation on tangible fixed assets.

Other expenses: Our other expenses consist of advertisement expenses, processing charges, laboratory expenses, bad debts, consumptions of store and spares, conveyance expenses, loss on foreign exchange difference, excise duty expenses, freight outward, insurance charges, legal & professional expenses, postage, power and fuel, rate difference & brokerage, rates and taxes, repairs to building, repairs to machinery, security expenses, stationary & printing expenses, statutory & tax audit Fees, telephone expenses and vehicle expenses among others.

Our Results of Operations

The following table sets forth select financial data from our restated financial statement of profit & loss for the financial years ended March 31, 2019, 2018 and 2017 the components of which are also expressed as a percentage of total revenue for such periods:

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2019		For the Year ended March 31, 2018		For the Year ended March 31, 2017	
	₹ in Lakhs	(%)*	₹ in Lakhs	(%)*	₹ in Lakhs	(%)*
Total Revenue:						
Revenue from operations	3085.98	99.48%	3250.34	99.78%	2623.49	98.99%
Other income	16.27	0.52%	7.18	0.22%	26.82	1.01%
Total Revenue	3102.25	100%	3257.52	100%	2650.32	100%
Expenses:						
Cost of material consumed	1808.16	58.29%	2186.61	67.13%	1802.17	68.00%
Changes in Inventories	(58.66)	(1.89%)	(48.66)	(1.49%)	140.84	5.31%
Employee benefit expenses	215.34	6.94%	176.73	5.43%	124.35	4.69%
Finance costs	30.99	1.00%	23.01	0.71%	61.47	2.32%
Depreciation & amortization expenses	28.14	0.91%	18.28	0.56%	22.74	0.86%
Other expenses	628.15	20.25%	674.97	20.72%	464.76	17.54%
Total Expenses	2652.12	85.49%	3030.94	93.04%	2616.33	98.72%
Profit before exceptional, extraordinary items and tax	450.13	14.51%	226.58	6.96%	33.98	1.28%
Extraordinary & Exceptional items			(22.00)	(0.68%)		
Profit before tax	450.13	14.51%	204.58	6.28%	33.98	1.28%
Tax expense :						
(i) Current tax	127.55	4.11%	78.43	2.41%	6.48	0.24%
(ii) Deferred tax	0.49	0.02%	-23.09	-0.71%	6.34	0.24%
(iii) Mat Credit Entitlement					(2.31)	(0.09%)
Total Tax Expense	128.04	4.13%	55.34	1.70%	10.51	0.40%
Profit for the year	322.09	10.38%	149.23	4.58%	23.47	0.89%

* (%) column represents percentage of total revenue.

FINANCIAL YEAR 2018-19 COMPARED WITH FINANCIAL YEAR 2017-18

Total Revenue

Our total revenue decreased by 4.77 % to ₹ 3,102.25 lakhs for the financial year 2018-19 from ₹ 3,257.52 lakhs for the financial year 2017-18 due to the factors described below:

Revenue from operations: Our revenue from operations decreased by 5.06 % to ₹ 3085.98 lakhs for the financial year 2018-19 from ₹ 3,250.34 lakhs for the financial year 2018-19 mainly due to decrease in our overall capacity utilization of the company. Our export sales decreased by ₹ 8.77 lakhs whereas our domestic sales decreased by ₹ 154.07 lakhs. Our export sales were 3.38% of total revenue from operations for the financial year 2018-19 which was 3.48% of our revenue from operations in financial year 2017-18. Our other operating revenue was Nil for financial year 2018-19 which was ₹1.51 lakhs for the financial year 2017-18. Our other operating revenue mainly was on account of export incentive of ₹ 1.46 lakhs and premium on duty entitlement passbook scheme of ₹ 0.05 lakhs. Sales of the company decreased for the financial year 2018-19 due to less receipt of order from our repetitive customer, Windlas Healthcare Private Limited as it placed order in miniscule quantity due to overstocking on their end and also our company shifted its focus to low volume high margin products resulting in slight fall in revenue.

Other income: Our other income increased by 126.49% to ₹ 16.27 lakhs for the financial year 2018-19 from ₹ 7.18 lakhs for the financial year 2017-18 mainly because of increase in foreign exchange gain by ₹ 4.72 lakhs, increase in export incentives by ₹ 3.61 lakhs, increase in interest on bank deposits by ₹ 1.70 lakhs and increase in sundry balances written off by ₹ 1.66 lakhs. However, this increase

was partially offset by decrease in miscellaneous income by ₹ 2.50 lakhs and decrease in insurance claim by ₹ 0.11 lakhs.

Total Expenses

Our total expenses decreased by 12.50 % to ₹ 2,652.12 lakhs for the financial year 2018-19 from ₹ 3,030.94 lakhs for the financial year 2017-18, due to the factors described below:

Cost of material consumed: Our cost of material consumed for the financial year 2018-19 was ₹ 1,808.16 lakhs which has decreased by 17.31% as compared to ₹ 2,186.61 lakhs in financial year 2017-18. Decrease in cost of material consumed was on account of process and cost optimization in the production line of our business and favorable foreign exchange rates.

Change in inventory of Finished goods and Work-in-progress: Our change in inventory of finished goods and work-in-progress changed by 20.54% to ₹ (58.66) lakhs for the financial year 2018-19 from ₹ (48.66) lakhs for the financial year 2017-18 which was due to higher level of closing stock of finished goods at the end of the year.

Employee benefits expenses: Our employee benefit expenses increased by 21.84 % to ₹ 215.34 lakhs for the financial year 2018-19 from ₹ 176.73 lakhs for the financial year 2017-18. The increase was mainly due to increase in director's remuneration by ₹ 20.65 lakhs, increase in salaries, wages & bonus by ₹ 18.38 lakhs and increase in contribution to provident fund & ESI and other statutory funds by ₹ 0.47 lakhs. However, this increase was partially offset by decrease in gratuity expenses by ₹ 0.90 lakhs. Increase in salaries was on account of increase in contractual labour for production.

Finance costs: Our finance costs increased by 34.66 % to ₹ 30.99 lakhs for the financial year 2018-19 from ₹ 23.01 lakhs for the financial year 2017-18. Increase in our finance cost was primarily due to increase in interest expense on working capital financing, term loan and vehicle loans by ₹ 12.90 lakhs which was partially offset by decrease in bank charges by ₹ 4.92 lakhs.

Depreciation & amortization expense: Our depreciation & amortization expense increased by 53.97 % to ₹ 28.14 lakhs for the financial year 2018-19 from ₹ 18.28 lakhs for the financial year 2017-18. Net addition to gross block was ₹ 56.80 lakhs for financial year 2018-19 however in the financial year 2017-18 there was a net deduction in the gross block of ₹ 12.50 lakhs.

Other expenses: Our other expenses decreased by 6.94% to ₹ 628.15 lakhs for the financial year 2018-19 from ₹ 674.97 lakhs for the financial year 2017-18. The decrease was mainly due to decrease in writing off plant & machinery of ₹ 66.01 lakhs, decrease in bad debt charges by ₹ 25.16 lakhs, decrease in rate difference and brokerage by ₹ 11.94 lakhs, decrease in loss on foreign exchange difference by ₹ 11.66 lakhs and decrease in conveyance charges by ₹ 0.47 lakhs among others. However this decrease was partially offset by increase in power & fuel expenses by ₹ 17.29 lakhs, increase in processing charges by ₹ 15.30 lakhs, increase in repairs to machinery by ₹ 14.11 lakhs, increase in legal & professional expenses by ₹ 5.96 lakhs, increase in repairs to buildings by ₹ 5.95 lakhs, increase in laboratory expenses by ₹ 3.98 lakhs, increase in rates & taxes by ₹ 1.60 lakhs, increase in sales tax assessment by ₹ 1.52 lakhs, increase in stationary & printing expenses by ₹ 1.39 lakhs and increase in office expenses by ₹ 1.03 lakhs among others.

Profit before exceptional & extraordinary items and taxes: Our profit exceptional & extraordinary items and taxes increased by 98.67% to ₹ 450.13 lakhs for the financial year 2018-19 from ₹ 226.58 lakhs for the financial year 2017-18.

Extraordinary & exceptional items: Our extraordinary & exceptional items was Nil in 2018-19 which was ₹ (22.00) lakhs for the financial year 2017-18. Exceptional loss in 2017-18 was on account of cross out of Investment in partnership firm.

Tax expenses: Our tax expenses increased by 131.36% to ₹ 128.04 lakhs for the financial year 2018-19 from ₹ 55.34 lakhs for the financial year 2017-18 mainly due to increase in current tax expense by ₹ 49.11 lakhs and deferred tax expenses by ₹ 23.58 lakhs, from deferred tax benefit of ₹ 23.09 lakhs in financial year 2017-18 to deferred tax expense of ₹ 0.49 lakhs in financial year 2018-19.

Profit after tax: Due to reasons mentioned above, our profit after tax increased by 115.83 % to ₹ 322.09 lakhs for the financial year 2018-19 from ₹ 149.23 lakhs for the financial year 2017-18.

FINANCIAL YEAR 2017-18 COMPARED WITH FINANCIAL YEAR 2016-17

Total Revenue

Our total revenue increased by 22.91% to ₹ 3,257.52 lakhs for the financial year 2017-18 from ₹ 2,650.32 lakhs for the financial year 2016-17 due to the factors described below:

Revenue from operations: Our revenue from operations increased by 23.89% to ₹ 3,250.34 lakhs for the financial year 2017-18 from ₹ 2,623.49 lakhs for the financial year 2016-17 mainly due to increase in our net revenue from sale of domestic sales by 24.73% to ₹ 3,135.67 lakhs in financial year 2017-18 from ₹ 2,514.00 lakhs in financial year 2016-17. Increase in our revenue from sales was primarily due to increase in turnover of our major product 'Ornidazole' from ₹ 9.70 crore in financial year 2016-17 to ₹14.23 crore in financial year 2017-18. Our sale from export activities also increased by 7.68% to ₹ 113.15 lakhs in financial year 2017-18 from ₹ 105.09 lakhs in financial year 2016-17. Our other operating revenue decreased by ₹ 2.90 lakhs in the financial year 2017-18 due to decrease in export incentive by ₹ 2.95 lakhs. However the decrease was partially offset by increase in premium on duty entitlement passbook scheme by ₹ 0.05 lakhs.

Other income: Our other income decreased by 73.22 % to ₹ 7.18 lakhs for the financial year 2017-18 from ₹ 26.82 lakhs for the financial year 2016-17 mainly because of decrease in miscellaneous income on account of indirect taxes by ₹ 14.80 lakhs, sale of scrap by ₹ 2.86 lakhs, gain on sale of fixed assets by ₹ 0.88 lakhs, interest on bank deposits by ₹ 0.87 lakhs and bad debts written off by ₹ 0.34 lakhs. However the decrease was partially offset by increase in insurance claim income by ₹ 0.11 lakhs.

Total Expenses

Our total expenses increased by 15.85 % to ₹ 3,030.94 lakhs for the financial year 2017-18 from ₹ 2,616.33 lakhs for the financial year 2016-17, due to the factors described below:

Cost of material consumed: Our cost of material consumed increased by 21.33% to ₹ 2,186.61 lakhs for the financial year 2017-18 from ₹ 1802.17 lakhs for the financial year 2016-17. Increase in our cost of material consumed was in line with increase in overall revenue from operations and also due to foreign exchange conversion rates.

Change in inventory of Finished goods and Work-in-progress: Our change in inventory of finished goods and work-in-progress changed by 134.55% to ₹ (48.66) lakhs for the financial year 2017-18 from ₹ 140.84 lakhs for the financial year 2016-17 which was due to higher level of closing stock of work-in-progress at the end of the year.

Employee benefits expenses: Our employee benefit expenses increased by 42.12% to ₹ 176.73 lakhs for the financial year 2017-18 from ₹ 124.35 lakhs for the financial year 2016-17. The increase was mainly due to increase in salaries, wages & bonus by ₹ 46.19 lakhs, increase in director's remuneration by ₹ 4.20 lakhs, increase in contribution to provident fund & ESIC by ₹ 1.06 lakhs and increase in gratuity expense by ₹ 0.92 lakhs. Increase in salaries was on account of increase in contractual labour due to increased production.

Finance costs: Our finance costs decreased by 62.56 % to ₹ 23.01 lakhs for the financial year 2017-18 from ₹ 61.47 lakhs for the financial year 2016-17. Decrease in our finance cost was primarily due to decrease in our interest expense by ₹ 34.62 lakhs and decrease in other expense by ₹ 3.84 lakhs. Decrease in finance cost was on account of decrease in working capital financing and interest on unsecured loans.

Depreciation & amortization expense: Our depreciation & amortization expense decreased by 19.62 % to ₹ 18.28 lakhs for the financial year 2017-18 from ₹ 22.74 lakhs for the financial year 2016-17. Net deduction to gross block was ₹ 12.50 lakhs for financial year 2017-18 however in the financial year 2016-17 there was a net addition in the gross block of ₹ 33.51 lakhs.

Other expenses: Our other expenses increased by 45.23 % to ₹ 674.97 lakhs for the financial year 2017-18 from ₹ 464.76 lakhs for the financial year 2016-17. The increase was mainly due to increase in writing off plant & machinery expense of ₹ 66.01 lakhs, increase in processing charges by ₹ 56.11 lakhs, increase in consumption of store & spares by ₹ 49.36 lakhs, increase in power & fuel expenses by ₹ 27.81 lakhs, increase in bad debt charges by ₹ 25.16 lakhs, increase in exchange difference by 10.89 lakhs and increase in security expense by ₹ 1.57 lakhs among others. However the increase was partially offset by decrease in repairs expenses of machinery by ₹ 9.69 lakhs, decrease in rate difference and brokerage by ₹ 8.75 lakhs, decrease in legal & professional expenses by ₹ 2.43 lakhs, decrease in office expenses by ₹ 2.15 lakhs, decrease in freight outward by ₹ 1.76 lakhs and decrease in rates & taxes by ₹ 1.54 lakhs among others. There was a writing off of Pollution Control Equipment of ₹ 66.01 lakhs which led to increase in expenses during the financial year 2017-18.

Profit before exceptional & extraordinary items and taxes: Our profit before exceptional & extraordinary items and taxes increased by 566.79% to ₹ 226.58 lakhs for the financial year 2017-18 from ₹ 33.98 lakhs for the financial year 2016-17. The increase was mainly due to process & cost optimization in the overall business of the company.

Extraordinary & exceptional items: Our extraordinary & exceptional items was ₹ 22.00 lakhs for the financial year 2017-18 which was Nil for financial year 2016-17. Exceptional loss in 2017-18 was on account of cross out of Investment in partnership firm.

Tax expenses: Our tax expenses increased by 426.45 % to ₹ 55.34 lakhs for the financial year 2017-18 from ₹ 10.51 lakhs for the financial year 2016-17 mainly due to increase in our current tax expense by ₹ 71.96 lakhs and mat credit entitlement of ₹ 2.31 lakhs. However the increase was partially offset by increase in deferred tax assets by ₹ 29.43 lakhs from deferred tax liability of ₹ 6.34 lakhs in financial year 2016-17 to deferred tax benefit of ₹ 23.09 lakhs in financial year 2016-17.

Profit after tax: Due to reasons mentioned above, our profit after tax increased by 535.85% to ₹ 149.23 lakhs for the financial year 2017-18 from ₹ 23.47 lakhs for the financial year 2016-17.

Other Key Ratios

The table below summaries key ratios in our Restated Financial Statements for the financial years ended March 31, 2019, 2018 and 2017:

Particulars	For the year ended March 31,		
	2019	2018	2017
Fixed Asset Turnover Ratio	10.25	12.19	9.13
Debt Equity Ratio	0.45	0.40	0.69
Current Ratio	1.98	1.36	1.30
Inventory Turnover Ratio	8.02	12.03	9.03

**Not Annualized*

Fixed Asset Turnover Ratio: This is defined as revenue from operations divided by total property, plant & equipment, based on Restated Financial Statements. Total property, plant & equipment does not include capital work-in-progress.

Debt Equity Ratio: This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings & current maturity of long term debt, based on Restated Financial Statements.

Current Ratio: This is defined as current assets divided by current liabilities, based on Restated Financial Statements.

Inventory Turnover Ratio: This is defined as revenue from operations divided by average inventories, based on Restated Financial Information.

Cash Flow

The table below summaries our cash flows from our Restated Financial Information for the financial years 2019, 2018 and 2017:

(₹ in lakhs)

Particulars	For year ended March 31,		
	2019	2018	2017
Net cash flow generated from/ (utilized in) operating activities (A)	(72.03)	218.83	97.93
Net cash flow utilized in investing activities (B)	(63.98)	(59.02)	(34.15)
Net cash flow generated from/ (utilized in) financing activities (C)	142.46	(116.26)	(101.19)
Net (decrease)/ increase in cash & cash equivalents (A+B+C)	6.46	43.55	(37.42)
Cash and cash equivalents at the beginning of the period/ year	88.36	44.81	82.23
Cash and cash equivalents at the end of the period/ year	94.82	88.36	44.81

Operating Activities

Financial year 2018-19

Our net cash used in operating activities was ₹ 72.03 lakhs for the financial year 2018-19. Our operating profit before working capital changes was ₹ 503.66 lakhs for the financial year 2018-19 which was primarily adjusted by payment of income tax of ₹ 125.50 lakhs, increase in inventories by ₹ 113.12 lakhs, decrease in trade payables by ₹ 315.12 lakhs, decrease in long term loans & advances by ₹ 79.83 lakhs, increase in trade receivable by ₹ 37.44 lakhs, decrease in short term provisions by ₹ 29.67 lakhs, increase in short term loans & advances by ₹ 12.85 lakhs, decrease in other current liabilities by ₹ 11.85 lakhs, increase in other current assets by ₹ 11.00 lakhs and increase in long term provisions by ₹ 1.02 lakhs.

Financial year 2017-18

Our net cash generated from operating activities was ₹ 218.83 lakhs for the financial year 2017-18. Our operating profit before working capital changes was ₹ 329.31 lakhs for the financial year 2017-18 which was primarily adjusted by payment of income tax of ₹ 22.70 lakhs, increase in trade payables by ₹ 199.58 lakhs, increase in trade receivables by ₹ 133.02 lakhs, increase in inventories by ₹ 115.50 lakhs, increase in long term loans & advances by ₹ 39.17 lakhs, decrease in short term loans & advances by ₹ 17.00 lakhs, decrease in other current liabilities by ₹ 16.64 lakhs, decrease in short term provisions by ₹ 2.35 lakhs, increase in long term provisions by ₹ 2.23 lakhs and decrease in other current assets by ₹ 0.09 lakhs.

Financial year 2016-17

Our net cash generated from operating activities was ₹ 97.93 lakhs for the financial year 2016-17. Our operating profit before working capital changes was ₹ 111.87 lakhs for the financial year 2016-17 which was primarily adjusted by payment of income tax of ₹ 8.45 lakhs, decrease in inventories by ₹ 156.15 lakhs, decrease in trade payables by ₹ 105.07 lakhs, increase in trade receivable by ₹ 45.60 lakhs, increase in short term loans & advances by ₹ 27.24 lakhs, decrease in long term loans & advances by ₹ 17.56 lakhs, decrease in other current liability by ₹ 3.42 lakhs, increase in long term provisions by ₹ 2.17 lakhs, increase in short term provisions by ₹ 1.94 lakhs and increase in other current assets by ₹ 1.99 lakhs

Investing Activities

Financial year 2018-19

Net cash used in investing activities was ₹ 63.98 lakhs for the financial year 2018-19. This was primarily on account of purchase of fixed assets amounting to ₹ 70.25 lakhs which was partially offset by interest income of ₹ 6.27 lakhs.

Financial year 2017-18

Net cash used in investing activities was ₹ 59.02 lakhs for the financial year 2017-18. This was primarily on account of purchase of fixed assets amounting to ₹ 63.59 lakhs which was partially offset by interest income of ₹ 4.57 lakhs.

Financial year 2016-17

Net cash used in investing activities was ₹ 34.15 lakhs for the financial year 2016-17. This was basically on account of purchase of fixed assets amounting to ₹ 40.85 lakhs which was partially offset by interest income of ₹ 5.44 lakhs and sale of fixed assets by ₹ 1.25 lakhs.

Financing Activities

Financial year 2018-19

Net cash generated from financing activities for the financial year 2018-19 was ₹ 142.46 lakhs. This was primarily on account of proceeds from short-term borrowings of ₹ 137.24 lakhs and proceeds from long term borrowings amounting to ₹ 36.21 lakhs which was partially adjusted by interest payment amounting to ₹ 30.99 lakhs.

Financial year 2017-18

Net cash used in financing activities for the financial year 2017-18 was ₹ 116.26 lakhs. This was primarily on account of repayment of short term borrowings amounting to ₹ 75.27 lakhs, repayment of long term borrowings of ₹ 17.98 lakhs and interest payment amounting to ₹ 23.01 lakhs.

Financial year 2016-17

Net cash used in financing activities for the financial year 2016-17 was ₹ 101.19 lakhs. This was primarily on account of interest payment amounting to ₹ 61.47 lakhs, repayment of long term borrowings of ₹ 33.25 lakhs and repayment of short term borrowings amounting to ₹ 6.47 lakhs.

Financial Indebtedness

As on March 31, 2019 the total outstanding borrowings of our Company is ₹ 449.88 lakhs which included long-term borrowings of ₹ 96.24 lakhs, short term borrowings of ₹ 349.41 lakhs and current maturities of long term debt of ₹ 4.23 lakhs. For further details, refer chapter titled “Financial Indebtedness” beginning on page 213 of this Draft Red Herring Prospectus.

(₹ in lakhs)

Particulars	As at March 31, 2019
Long Term Borrowings (A)	
<i>Secured Loans</i>	
- From Banks	26.29
<i>Unsecured Loans</i>	
- Inter Corporate Deposits	50.45
- From Directors	19.50
Sub Total (A)	96.24
Short Term Borrowings (B)	
<i>Working Capital facilities from banks</i>	349.41
Sub Total (B)	349.41
Current Maturities of Long Term Borrowings (C)	4.23
Total (A)+(B)+(C)	449.88

In the event, any of our lenders declare an event of default, such current and any future defaults could lead to acceleration of our repayment obligations, termination of one or more of our financing agreements or force us to sell our assets, any of which could adversely affect our business, results of operations and financial condition.

Related Party Transactions

Related party transactions with certain of our promoters, directors and their entities and relatives primarily relates to remuneration payable, consultancy received, interest paid, purchase & sale of goods, loans & deposits taken & paid, advance to suppliers and Issue of Equity Shares. For further details of such related parties under AS18, refer chapter titled “*Financial Statements*” beginning on page 196 of this Draft Red Herring Prospectus.

Contingent Liabilities

The following table sets forth our contingent liabilities as of March 31, 2019 as per Restated Financial Statement:

(₹ In Lakhs)

Particulars	As at March 31, 2019
Letter of Credit	50.32
Total	50.32

It is not practical for our Company to estimate the timings of cash outflow, if any in respect of above pending resolutions of the respective proceedings. For further details, refer chapter titled “*Financial Statements*” beginning on page 196 of this Draft Red Herring Prospectus.

Off-Balance Sheet Items

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

Qualitative Disclosure about Market Risk

Financial Market Risks

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

Interest Rate Risk

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

Liquidity risk

Liquidity risk is the risk that we will encounter difficulties in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure, to the extent possible, that we will have sufficient liquidity to meet our liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation. We manage liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Effect of Inflation

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

Credit Risk

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

Reservations, Qualifications and Adverse Remarks

Except as disclosed in chapter titled “*Financial Statements*” beginning on page 196 of this Draft Red Herring Prospectus, there have been no reservations, qualifications and adverse remarks.

Details of Default, if any, Including therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution

Except as disclosed in chapter titled “*Financial Statements*” beginning on page 196 of this Draft Red Herring Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures & interest thereon or repayment of deposits & interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

Material Frauds

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last three Fiscals.

Unusual or Infrequent Events or Transactions

As on date, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations

Indian rules and regulations as well as the overall growth of the Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company’s operations or are likely to affect income from continuing operations except as described in chapter titled “*Risk Factors*” beginning on page 29 of this Draft Red Herring Prospectus.

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 described in the section titled “*Risk Factors*” beginning on page 29 of this Draft Red Herring Prospectus and in this chapter, to our knowledge there are no known trends or uncertainties that are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Future Changes in Relationship between Costs and Revenues, in Case of Events Such as Future Increase in Labour or Material Costs or Prices that will Cause a Material Change are known

Other than as described in chapter titled “*Risk Factors*” beginning on page 29 of this Draft Red Herring Prospectus and in this section, to our knowledge there are no known factors that might affect the future relationship between cost and revenue.

Extent to which Material Increases in Net Sales or Revenue are due to Increased Sales Volume, Introduction of New Products or Services or Increased Sales Prices

Changes in revenue in the last three financial years are as explained in the part “*Financial Year 2018-19 compared with financial year 2017-18 and Financial Year 2017-18 Compared With Financial Year 2016-17*” above.

Total Turnover of Each Major Industry Segment in Which the Issuer Operates

Our company works under single reportable Industry segment.

Competitive Conditions

We have competition with Indian and international manufacturers & traders and our results of operations could be affected by competition in the API sector in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies / entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled “Risk Factors” beginning on page 29 of this Draft Red Herring Prospectus.

Increase in income

Increases in our income are due to the factors described above in this chapter under “*Significant Factors Affecting Our Results of Operations*” and chapter titled “*Risk Factors*” beginning on page 29 of this Draft Red Herring Prospectus.

Status of any Publicly Announced New Products or Business Segments

Except as disclosed elsewhere in the Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

Significant Dependence on a Single or Few Customers

Significant proportion of our revenues have historically been derived from a limited number of customers. The % of Contribution of our Company’s customers and suppliers *vis a vis* the revenue from operations and raw materials purchase respectively for the period ended March 31, 2019 based on Restated Financial Statement are as follows:

Particulars	Suppliers	Customers
	As on March 31, 2019	As on March 31, 2019
Top 5 (%)	65.00	41.90
Top 10 (%)	77.94	59.63

Seasonality of Business

The nature of our business is not seasonal. For further details please refer chapter titled “*Risk Factors*” beginning on page 29 of this Draft Red Herring Prospectus.

FINANCIAL INDEBTEDNESS

Our Company utilizes various credit facilities from banks and others in the ordinary course of business. 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 or change in our Board.

Pursuant to a special resolution of our Shareholders passed at the Annual General meeting held on August 23, 2019, our Board has been authorized to borrow monies, which, together with the monies already borrowed, exceeds the aggregate of the paid-up capital and free reserves apart from temporary loans borrowed in the ordinary course of business, from such person or persons on such terms and conditions as to the repayment, interest and otherwise as they may think fit and proper, provided that the aggregate amount so borrowed shall not, at any time, exceed 15,000.00 Lakhs.

Set forth is a brief summary of our Company's secured and unsecured borrowings as on March 31, 2019 together with a brief description of certain significant terms of such financing arrangements.

SECURED BORROWINGS

1. Facilities of Rs. 1,110.00 Lakhs from Kotak Mahindra Bank Limited as per Sanction letter dated February 09, 2017 and renewed sanction letter dated September 07, 2018.

(Rs. in Lakhs)

Nature of facility	Sanctioned Amount	Rate Of Interest/ Commission	Tenor	Amount Outstanding as on March 31, 2019
Fund based limits :				
Cash Credit	525.00	Present effective rate is 8.70% p.a.	12 Months	349.41
Term Loan	125.00	Present effective rate is 9.70% p.a.	60 Months including moratorium period of 6 Months	2.45
Sub Total	650.00			351.86
Non Fund based limits :				
Letter of Credit (Inland/ Foreign/ Buyers Credit)	460.00	Commission 1% p.a.	ILC – 90 Days FLC & BC – 180 Days	50.32
Bank Guarantee (Sublimit of CC)	(25.00)		12 Months	
Inland and foreign Letter of Credit (Sub limit of CC)	(200.00)			
Sub Total	460.00			50.32
Total	1,110.00			402.18

Primary Security: First and Exclusive charge on all present and future current assets and fixed assets of company.

Collateral Security:

- a) **Equitable mortgage over following properties** – Industrial property at Plot no. 84A & 84B, Sector E, Industrial area, Sanwer road, Indore in the name of Unidrug Inovative Pharma Technologies Limited.
- b) Industrial property at Plot no. 72B, Sector E, Industrial area, Sanwer road, Indore in the name of Unidrug Inovative Pharma Technologies Limited.
- c) Residential property at Ground floor flat at plot no. 12/2, Gali no. 2, Pagnispaga, Indore, owned by Mrs. Kanaklata Jain.

- d) Residential property at 25, Chandralok Ext., Manish Puri, Indore, owned by Mrs. Kanaklata Jain.
- e) Residential property at Plot no. 2, 552C, New Palasia, Indore, owned by Mr. Jainesh Jain.

Personal Guarantees: Jainesh Jain, Kanaklata Jain and Varsha Jain.

2. Car Loan of Rs. 35.00 Lakhs from State Bank of India as per Arrangement letter dated October 15, 2018.

(Rs. in Lakhs)

Nature of Facility	SME Car Loan
Loan Amount	Rs. 35.00 Lakhs
Rate of Interest	9.45% Per annum
EMI Amount	Rs. 58,150/-
Tenor	84 Months
Amount Outstanding as on March 31, 2019	Rs. 28.07 Lakhs

Note: Our Company has availed Over Draft facility of Rs. 18.50 Lakhs against FDR with rate of interest of 7.90% yearly from Punjab National Bank vide letter dated August 03, 2019 which is secured by lien of FDR.

UNSECURED BORROWING FROM OTHERS

The details of unsecured loans standing on March 31, 2019 and outstanding amount are as follows:

A. From Director, their relatives and related parties –

(Rs. in Lakhs)

Sr. No.	Name of Lenders	Amount outstanding as on March 31, 2019
1.	Varsha Jain	1.50
2.	Bharat Jain	1.50
3.	Trilok Chand Jain	16.50
4.	Univive Healthcare Private Limited	50.45
	Total	69.95

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no:

(i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoters in the last five financial years, including any outstanding action; or (v) Material Litigation (as defined below); involving our Company, Directors and Promoters.

*Our Board, in its meeting held on August 1, 2019, determined that outstanding legal proceedings involving the Company, its Directors, Promoters and Material Group Companies: (a) where the aggregate amount involved, in such individual litigation exceeds 1% of the profit after tax of our Company, as per last audited financial statements; or (b) where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in such single litigation individually may not exceed 1% of the profit after tax of the Company as per the last audited financial statements, if similar litigations put together collectively exceed 1% of the profit after tax of the Company, or (c) litigations whose outcome could have a material impact on the business, operations, prospects or reputation of our Company, will be considered as material litigation (“**Material Litigation**”).*

*Our Board of Directors considers dues owed by our Company to the small scale undertakings and other creditors exceeding 5% of the Company’s trade payable for the last audited financial statements, as material dues for the Company. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on August 1, 2019. Further, for outstanding dues to any party which is a micro, small or a medium enterprise (“**MSME**”), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the Statutory Auditors.*

Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered ‘material’ only in the event that the outcome of such litigation has an adverse effect on the operations or performance of our Company.

A. LITIGATION INVOLVING OUR COMPANY

1. LITIGATION BY OUR COMPANY

1.1. Civil Litigation

NIL

1.2. Criminal Proceedings

1.2.1. MAHESH NABAR, UNIDRUG INNOVATIVE PHARMA TECHNOLOGIES LIMITED VS. CRESCENT THERAPEUTIC LIMITED & ORS.

Our Company has filed a criminal complaint dated April 13, 2016 bearing registration No. 6711619/2016 against Crescent Therapeutic Limited & Ors. (hereinafter collectively referred as “**Accused**”) before Judicial Magistrate of First Class (JMFC), Indore under Section 138 of the Negotiable Instruments Act, 1881 for dishonor of cheques issued by the Accused in favor of the Company for an aggregate sum of Rs. 6,41,800/- (Rupees Six Lakhs Forty One Thousand and Eight Hundred only). The last hearing was scheduled on May 06, 2019 for the purpose of appearance of accused. The next date of hearing is scheduled on December 06, 2019. Meanwhile Company has received the full payment of **Rs. 6,41,800/-** from Crescent Therapeutic Limited. However the matter is pending at court.

1.3. Taxation Matters

1.3.1. **Direct Tax Proceedings**

NIL

1.3.2. **Indirect Tax Proceedings**

NIL

2. LITIGATION AGAINST OUR COMPANY

2.2. **Civil Litigations**

NIL

2.3. **Criminal Proceedings**

2.3.1. **IQBAL KHAN VS. DEVENDRA SINGH MULAYAM SINGH RAJPUT, UNIDRUG INNOVATIVE PHARMA TECHNOLOGIES LIMITED AND THE NEW INDIA ASSURANCE CO. LIMITED**

Chevrolet Cruze Car bearing registration No. MP09CE8520 of Unidrug Innovative Pharma Technologies Limited (hereinafter referred as “**Company**”) met with an accident on November 22, 2017 at Janjirwala Circle, Indore. Iqbal Khan (hereinafter referred as “**an injured person**”) lodged complaint with Tukoganj Police Station, Indore for rash driving against the Driver i.e. Devendra Singh Mulayam Singh Rajput and First Information report bearing Number 0597 as per Section 154 of Criminal Procedure Code (CRPC) was filed for offences under Section 279 and 337 of Indian Penal Code. After investigation, the charge sheet was filed and the case was moved to the Chief Judicial Magistrate at District Court, Indore. The injured person has filed a claim with Court of XVII Additional Motor Accident Claims Tribunal, Indore for claiming Compensation. The injured person has claimed Rs. 15,00,000 as lump sum compensation and Rs. 25,000 as Interim Award. Since the car was comprehensively insured with The New India Assurance Co Limited (“**the Insurance Company**”), the same is also accused in the mater along with Company. The last date of hearing was scheduled on May 08, 2019 for the purpose of prosecution evidence. The matter is currently pending in the court.

2.4. **Taxation Matters**

2.4.1. **Direct Tax Proceedings**

NIL

2.4.2. **Indirect Tax Proceedings**

CUSTOMS DUTY DEMAND NOTICE FOR ADVANCE LICENSE NO. 5610004899

A duty demand notice dated January 28, 2019 bearing folio number S/40-LUT-1316/2016 DMC and S/26-Misc-336/2018-19/DMC/Part-D has been issued for non-fulfilment of Export obligation of **Advance license No. 5610004899** dated May 04, 2016 against Unidrug Innovative Pharma Technologies Limited (hereinafter referred as “**Company**”) by the Assistant Commissioner of Customs, DECC Monitoring Cell, office of Commissioner of Customs (NS-II), Jawaharlal Nehru Custom House, Nhava Sheva. The said notice has been issued to company for non-submission of EODC (Export Obligation Discharge Certificate) and proof evidencing the fulfilment of Export Obligation for the above mentioned advance licence. In view of the foregoing facts, Company has been asked either to produce EODCs/ Redemption letters issued by DGFT or pay **Rs. 1,65,362/-** being the amount of Custom Duty saved plus interest thereon, as applicable, on the amount of duty saved from the date of clearance of imported goods till the date of payment of duty within 10 days from the date of receipt of this Demand Notice in order to avoid recovery proceedings to be initiated under Section 142 of the Customs Act, 1962. Company has received Export Obligation Discharge

Certificate/ redemption letter from office of Joint Director General of Foreign Trade, Indore in respect of advance authorisation No 5610004899. Company has submitted the same with Customs authorities through Custom House Agent and awaiting acknowledgement for the same.

CUSTOMS DUTY DEMAND NOTICE FOR ADVANCE LICENSE NO. 5610004842

A duty demand notice dated January 28, 2019 bearing folio number S/40-LUT-1317/2016 DMC and S/26-Misc-336/2018-19/DMC/Part-D has been issued for non-fulfilment of Export obligation of **Advance license No. 5610004842** dated February 22, 2016 against Unidrug Innovative Pharma Technologies Limited (hereinafter referred as “**Company**”) by the Assistant Commissioner of Customs, DECC Monitoring Cell, office of Commissioner of Customs (NS-II), Jawaharlal Nehru Custom House, Nhava Sheva. The said notice has been issued to company for non-submission of EODC (Export Obligation Discharge Certificate) and proof evidencing the fulfilment of Export Obligation for the above mentioned advance licence. In view of the foregoing facts, Company has been asked either to produce EODCs/ Redemption letters issued by DGFT or pay **Rs. 4,39,224/-** being the amount of Custom Duty saved plus interest thereon, as applicable, on the amount of duty saved from the date of clearance of imported goods till the date of payment of duty within 10 days from the date of receipt of this Demand Notice in order to avoid recovery proceedings to be initiated under Section 142 of the Customs Act, 1962. Company has sought Export Obligation Period amended from existing 18 months to 24 months through office of Joint Director General of Foreign Trade (DGFT), Indore. The application for final EODC is under consideration by the office of DGFT.

CUSTOMS DUTY DEMAND NOTICE FOR ADVANCE LICENSE NO. 5610004913

A duty demand notice dated January 28, 2019 bearing folio number S/40-LUT-1318/2016 DMC and S/26-Misc-336/2018-19/DMC/Part-D has been issued for non-fulfilment of Export obligation of **Advance license No. 5610004913** dated May 23, 2016 against Unidrug Innovative Pharma Technologies Limited (hereinafter referred as “**Company**”) by the Assistant Commissioner of Customs, DECC Monitoring Cell, office of Commissioner of Customs (NS-II), Jawaharlal Nehru Custom House, Nhava Sheva. The notice has been issued to company for non-submission of EODC (Export Obligation Discharge Certificate) and proof evidencing the fulfilment of Export Obligation for above mentioned advance licence. In view of the foregoing facts, Company has been asked either to produce EODCs/ Redemption letters issued by DGFT or pay **Rs. 5,00,076/-** being the amount of Custom Duty saved plus interest thereon, as applicable, on the amount of duty saved from the date of clearance of imported goods till the date of payment of duty within 10 days from the date of receipt of this Demand Notice in order to avoid recovery proceedings to be initiated under Section 142 of the Customs Act, 1962. Company has received Export Obligation Period amended from existing 18 months to 24 months through office of Joint Director General of Foreign Trade (DGFT), Indore. The application for final EODC is under consideration by the office of DGFT.

2.4.3. Disciplinary Actions taken by SEBI or stock exchanges against Our Company

Nil

B. LITIGATION INVOLVING THE DIRECTORS

1. LITIGATION BY OUR DIRECTORS

1.1. **Civil Litigations**

NIL

1.2. **Criminal Proceedings**

NIL

1.3. **Taxation Matters**

1.3.1. **Direct Tax Proceedings**

NIL

1.3.2. **Indirect Tax Proceedings**

NIL

2. LITIGATION AGAINST OUR DIRECTORS

2.1. **Civil Litigations**

NIL

2.2. **Criminal Proceedings**

NIL

2.3. **Taxation Matters**

2.3.1 **Direct Tax Proceedings**

NIL

2.3.2 **Indirect Tax Proceedings**

NIL

C. LITIGATION INVOLVING OUR PROMOTERS

1. LITIGATION BY PROMOTERS

1.1. **Civil Litigations**

NIL

1.2. **Criminal Proceedings**

NIL

1.3. **Taxation Matters**

1.3.1. **Direct Tax Proceedings**

NIL

1.3.2. **Indirect Tax Proceedings**

NIL

2. **LITIGATION AGAINST PROMOTERS**

2.1. **Civil Litigations**

NIL

2.2. **Criminal Proceedings**

NIL

2.3. **Taxation Matters**

2.3.1. **Direct Tax Proceedings**

NIL

2.3.2. **Indirect Tax Proceedings**

NIL

D. **LITIGATION INVOLVING OUR GROUP ENTITIES**

1. **LITIGATION BY GROUP ENTITIES**

1.1. **Civil Litigations**

NIL

1.2. **Criminal Proceedings**

NIL

1.3. **Taxation Matters**

1.3.1. **Direct Tax Proceedings**

NIL

1.3.2. **Indirect Tax Proceedings**

UNIVIVE HEALTHCARE PRIVATE LIMITED VS. COMMISSIONER,
COMMERCIAL TAX, MP INDORE

Univive Healthcare Private Limited (hereinafter referred as “**Assessee Company**”) bearing Central Sales Tax Registration No. 23551103135 has received Demand Notice CST in Form 13 bearing reference number 20300003192090 dated April 30, 2015 under rule 10-C of Central Sales Tax Rules, 1956 along with CST Assessment Order (hereinafter referred as “**Impugned Order**”) from Commercial Tax Officer, Commercial Tax Department, Indore, Government of Madhya Pradesh, for a total demand of Rs. 1,72,427/- for the period from April 01, 2012 to March 31, 2013.

Assessee Company has filed an appeal bearing reference number AA121516002170 with Additional Commissioner of Commercial Tax (Appeals), Indore (hereinafter referred as “**First Appellate Authority**”) involving VAT Appeals 215/2015 and Entry Tax Appeals 213/2015 against the said Impugned order after paying Rs. 18,000/- of the total demand and an assessment order (hereinafter referred as “**Appellate Order**”) dated July 18, 2016 was passed by the First Appellate authority against the assessee company thereby levying tax @2% on Sales worth Rs. 34,48,530/-.

Assessee Company has filed a second appeal dated December 22, 2016 in Form XIV under Rule 10-A bearing reference Number A/456/CTAB/IND/16(Central) against the said Appellate order with the Madhya Pradesh Commercial Tax, Appellate Board, (Appeals), Bhopal (hereinafter referred as “**Second Appellate Authority**”) after paying 20% of the tax with penalty i.e. Rs. 30,900, seeking stay on the recovery of the balance amount. Second Appellate Authority has passed a stay order dated January 24, 2017 for the recovery of balance amount of Rs. 1,23,527/- till the final disposal of the second appeal. The matter is currently pending.

2. LITIGATION AGAINST GROUP ENTITIES

2.1. Civil Litigations

NIL

2.2. Criminal Proceedings

NIL

2.3. Taxation Matters

2.3.1. Direct Tax Proceedings

NIL

2.3.2. Indirect Tax Proceedings

NIL

E. LITIGATIONS INVOLVING OUR SUBSIDIARY COMPANIES

As on date of this Draft Red Herring Prospectus, our Company does not have any subsidiary.

MATERIAL FRAUDS AGAINST OUR COMPANY AND ACTION TAKEN BY OUR COMPANY:

There have been no material frauds committed against our Company and actions taken by our Company in the five years preceding the year of this Draft Red Herring Prospectus.

PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES /SECURITIES LAWS/ OR ANY OTHER LAW:

There are no proceedings initiated against our Company for any economic offences/securities laws/ or any other law.

NON PAYMENT OF STATUTORY DUES:

Other than cases disclosed above, our Company has no outstanding defaults in relation to statutory dues consisting of service tax, value added tax, professional tax, employee state insurance, provident fund and tax deducted, dues payable to holders of any debentures (including interest) or dues in respect of deposits (including interest) or any defaults in repayment of loans from any bank or financial institution (including interest).

PAST CASES WHERE PENALTIES WERE IMPOSED:

There are no past cases where penalties were imposed on our Company by concerned authorities/courts.

POTENTIAL LITIGATION INVOLVING OUR COMPANY

As on the date of this Draft Red Herring Prospectus, there is no potential litigation proceeding against our Company.

OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY

As on the date of this Draft Red Herring Prospectus, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.

PAST NOTICES, INQUIRIES, INSPECTIONS OR INVESTIGATIONS

There have been no notices, inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last five years immediately preceding the year of this Draft Red Herring Prospectus in the case of Company, Promoters, Directors and Group companies. Other than as described above, there have been no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last five years immediately preceding the year of this Draft Red Herring Prospectus.

Further, there is no legal action pending or taken by any Ministry or Department of the Government or a statutory authority against the Promoters during the last five years immediately preceding the year of the issue of the Draft Red Herring Prospectus and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action.

OUTSTANDING DUES TO CREDITORS:

As per the Materiality Policy, our Board has approved the following:

Consolidated information on outstanding dues to small scale undertakings (SSI) and Micro, Small & Medium Enterprises (MSME), separately giving details of number of cases and amount involved.

Complete details about outstanding dues to other creditors (excluding banks and other financial institutions from whom Company has availed the financing facilities) if the amount due to any one of them exceeds 5% of the total outstanding trade payables of the Company as per the last audited financial statements.

As of March 31, 2019, our Company, in its ordinary course of business, has an aggregate amount of Rs.364.33 Lakhs, which is due towards total 107 sundry and other creditors.

As per the above policy, consolidated information of outstanding dues owed to small scale undertakings, material dues to creditors, giving details of number of cases and aggregate amount for such dues is as under:

Particulars	Number of cases	Amount Outstanding
Dues to small scale undertakings	18	Rs. 79.61 Lakhs
Dues to other creditors	89	Rs. 284.73 Lakhs

Material Creditors of the Company having amount outstanding exceeding Rs. 18.22 Lakhs, being 5 % of the Company's trade payables, as per last audited financial Statements of our Company.

As on March 31, 2019, we had 108 Creditors to whom total amount aggregating to Rs. 364.33 Lakhs was outstanding out of which 4 creditors were material creditors in terms of the Materiality Policy and the total amount due to such material creditors was Rs. 66.43 Lakhs.

Details of outstanding dues to material creditors as required under the SEBI ICDR Regulations have been disclosed on our website at www.unidrugindia.com.

The details pertaining to net outstanding due by our Company towards small scale undertakings, material dues to creditors and other dues to creditors separately as per the Restated Financial Statements for the most recent financial year are available on the website of our Company. It is clarified that such details available on our Company's website do not form a part of this Draft Red Herring Prospectus. Anyone placing reliance on any source of information including our Company's website would be doing so at their own risk.

MATERIAL DEVELOPMENTS

Except as disclosed in the chapter titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 198 of this Draft Red Herring Prospectus, in the opinion of our Board, there have not arisen, since the date of last audited balance sheet, any circumstances that materially or adversely affect or are likely to affect our profitability or the value of our consolidated assets or our ability to pay material liabilities within the next 12 months.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary consents, licenses, registrations, permissions and approvals from the Central and State Governments and various governmental agencies and other statutory and/or regulatory authorities required to undertake this Issue and carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals and licenses are valid as of the date of this Draft Red Herring Prospectus and in case of licenses and approvals which have expired; we have either made application for renewal or are in the process of making an application for renewal. In order to operate our business, we require various approvals and/or licenses under various laws, rules and regulations.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its existing business activities.

In view of the approvals listed below, the Company can undertake this Issue and its current business activities and no further major approvals from any governmental or regulatory authority except proposed activities of Company or any other entity are required to undertake the Issue or continue its business activities. For further details in connection with the applicable regulatory and legal framework, please refer chapter “Key Industry Regulations and Policies” on page 153 of this Draft Red Herring Prospectus.

The Company has its business located at:

Registered Office: Plot No. 84 A, Sector-E, Sanwer Road Industrial Area, Village Narval, Tehsil Indore - 452 015, Madhya Pradesh, India

Manufacturing Facility: Plot No. 84A and 84 B, Sector-E, Sanwer Road Industrial Area, Village Narval, Tehsil Indore - 452 015, Madhya Pradesh, India

Warehouse Facility: Plot No.72 B, Sector-E, Sanwer Road Industrial Area, Village Narval, Tehsil Indore - 452 015, Madhya Pradesh, India

City Office: No. 117-B, Bansi Trade Centre, Near Janjirwala Square, Indore - 452 003, Madhya Pradesh, India

Following statement sets out the details of licenses, permissions and approvals obtained by the Company under various central and state legislations for carrying out its business activities.

APPROVALS PERTAINING TO INCORPORATION, NAME AND CONSTITUTION OF OUR COMPANY:

Sr. No.	Authorization Granted	Issuing Authority	Registration No:/ Reference No:/ License No:	Date of Issue/ Date of Renewal	Valid up to
1.	Certificate of Incorporation in the name of “Uni Drug Private Limited”	Registrar of Companies, Madhya Pradesh, Gwalior	3875 of 1987	March 13, 1987	NA
2.	Fresh Certificate of Incorporation consequent upon change of name to “Uni Drug Limited”	Registrar of Companies, Madhya Pradesh, Gwalior	10-03875	December 04, 1995	NA
3.	Fresh Certificate of Incorporation consequent upon change of name to “Unidrug	Registrar of Companies, Madhya	10-3875	September 17, 1996	NA

Sr. No.	Authorization Granted	Issuing Authority	Registration No:/ Reference No:/ License No:	Date of Issue/ Date of Renewal	Valid up to
	Innovative Pharma Technologies Limited"	Pradesh, Gwalior			
4.	The Corporate Identity Number (CIN) of the Company is U85120MP1987PLC003875.				

APPROVALS FOR THE ISSUE:

Corporate Approvals

- The Board of Directors have, pursuant to a resolution passed at its meeting held on August 01, 2019 authorized the Issue subject to the approval of the shareholders of the Company under Section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities as may be necessary.
- The shareholders of the Company have, pursuant to a resolution dated August 23, 2019 passed in the AGM under Section 62(1)(c) of the Companies Act, 2013 authorized the Issue.

In Principal Approval from Stock Exchange

The Company has obtained in-principle approval for listing from the EMERGE platform of National Stock Exchange of India Limited dated [●].

Agreements with NSDL and CDSL

- The Company has entered into an agreement dated August 18, 2018 with the Central Depository Services (India) Limited ("CDSL") and the Registrar and Transfer Agent for the dematerialization of its shares.
- Similarly, the Company has also entered into an agreement dated August 30, 2018 with the National Securities Depository Limited ("NSDL") and the Registrar and Transfer Agent, for the dematerialization of its shares.
- The Company's International Securities Identification Number ("ISIN") is INE01HN01015.

TAX RELATED APPROVALS/ LICENSES:

Sr. No.	Description	Issuing Authority	Registration/ License No.	Date of granting License/Approval	Valid up to
1.	Permanent Account Number (PAN)	Income Tax Department, Government of India	AAACU2220R	March 13, 1987	Perpetual
2.	Tax Deduction Account Number (TAN)	Income Tax Department, Government of India	BPLU00279G	June 02, 2011	Perpetual
3.	Tax Payer's Identification Number (TIN)	Department of Commercial Tax, Madhya Pradesh, Indore	23321101079	July 01, 2003	Perpetual
4.	Certificate of Registration of Service Tax (under Section 70 of the Finance Act, 1994 read with	Central Board of Excise and Customs, Ministry of Finance, Department of Revenue	R-ST/IND/GTA/612 /04-05	January 01, 2005	Perpetual

Sr. No.	Description	Issuing Authority	Registration/ License No.	Date of granting License/Approval	Valid up to
	Rule 7 of Service Tax Rules, 1994)				
5.	Certificate of Registration for Goods and Service Tax (GSTIN)	Government of India	23AAACU2220R1ZD	September 26, 2017	Perpetual
6.	Certificate of Registration under the Madhya Pradesh Professional Tax Act, 1995	Department of Commercial Tax, Madhya Pradesh, Indore	23321101079	July 01, 2003	Perpetual
7.	Importer-Exporter Code (IEC)	Government of India, Ministry of Commerce and Industry, Office of JT. Director General of Foreign Trade	1196003181	October 03, 1996	Perpetual
8.	Central Excise Registration Certificate (under Rule 9 of the Central Excise Rules, 2002)	Assistant Commissioner of Central Excise, Central Excise - Indore	AAACU2220RX M001	April 20, 2009	Perpetual

BUSINESS RELATED APPROVALS/ LICENSES:

Sr. No.	Description	Issuing Authority	Registration/ License No.	Date of granting License/ Approval	Valid up to
1.	Drugs Manufacturing License	Food & Drugs Administration, Madhya Pradesh	25/4/96	March 22, 2018	December 31, 2022
2.	PHARMEXCIL license	Pharmaceuticals Export Promotion Council of India, Ministry of Commerce and Industry, Govt. of India.	PXL/SSM/II/400 3/2005-06	March 12, 2019	March 31, 2020
3.	Factory License (Form No.3 prescribed under Rule 5 of M.P. Factories Rules, 1962)	Labour Department, Jt. Chief Inspector of Factories, Madhya Pradesh	487/15387/IND/ 2m(i)/HZ	February 12, 2019	December 31, 2024

Sr. No.	Description	Issuing Authority	Registration/ License No.	Date of granting License/ Approval	Valid up to
4.	Udyog Aadhaar Memorandum\ Entrepreneurs Memorandum for setting small Enterprises Unit	Government of India, Ministry of Micro, Small and Medium Enterprises	UAN-MP23B0004463 Aadhaar Number-506073081378	August 16, 1996	Perpetual
5.	Entrepreneurs Memorandum Number, memorandum for a manufacturing enterprise under Micro, Small and Medium Scale Industries Development Act, 2006	District Trade & Industries Centre, Indore	230261200607	October 29, 2007	Perpetual
6.	Chemical, Phenyl/Cleaner license	Indore Municipal Corporation	11417/0418/358 6	April 11, 2018	March 31, 2020
7.	Goods Manufacturing Practices (GMP) certificate	Food & Drugs Administration, Madhya Pradesh	V/25/I.C./U424/2018/453	July 24, 2018	December 31, 2022
8.	Free Sale Certificate	Office of the Controller Food and Drugs Administration Madhya Pradesh	No. V/25/IC/A-149/19	March 5, 2019	December 31, 2022.
9.	Verification Certificate under Legal Metrology Act, 2009	Office of Controller of Legal Metrology (Weights & Measures)	Serial No. 679 Book Number: IND-03-1819	December 29, 2018	December 28, 2019
10.	Verification Certificate under Legal Metrology Act, 2009	Controller of Legal Metrology (Weights & Measures)	Serial No. 680 Book Number: IND-03-1819	December 29, 2018	December 28, 2019

LABOUR RELATED APPROVALS/REGISTRATION:


Sr. No.	Description	Issuing Authority	Registration/ License No.	Date of granting License/ Approval	Valid up to
1.	Employee Provident Fund Certificate(Under Employee Provident	Employees' Provident Fund Organisation	MPIND00125 67000	March 21, 2015	Valid until cancelled

	Fund and Miscellaneous Provision Act, 1952)				
2.	Employees' State Insurance Corporation registration (Under Employees' State Insurance Act 1948)	Assistance Deputy Director Employees' State Insurance Corporation	Code no. 18000119790 000305	July 17, 2010	Valid until cancelled

ENVIRONMENT RELATED APPROVALS/LICENSES:

Sr. No.	Description	Issuing Authority	Registration/ License No.	Date of granting License/Approval	Valid up to
1.	Consent of the Board under Air (Prevention & Control of Pollution) Act, 1981	Madhya Pradesh Pollution Control Board	AWH-48886	October 12, 2018	June 30, 2021
2.	Consent of the Board under Water (Prevention & Control of Pollution) Act, 1974	Madhya Pradesh Pollution Control Board	AWH-48886	October 12, 2018	June 30, 2021
3.	Authorization under Hazardous and Other Waste (Management, Handling & Transboundary Movement) Rules, 2016	Madhya Pradesh Pollution Control Board	AWH- 48886	October 12, 2018	June 30, 2025

APPROVALS OBTAINED IN RELATION TO INTELLECTUAL PROPERTY RIGHTS

Trademark	Type	Class	Applicant	Application No.	Date of Application	Validity	Registration Status
	Device	5	Unidrug Innovative Pharmas Limited	3954998	September 25, 2018	September 25, 2018	Registered
UNIDRUG	Word	5	Unidrug Innovative Pharmas Limited	3954999	September 25, 2018	-	Objected

Company has confirmed that no other applications have been made by the Company nor has it registered any type of intellectual property including trademarks/copyrights/patents etc.

EXPORT AND EXPORT OBLIGATIONS:

Export obligations exist in respect of advance licenses obtained. Following are Advance licenses in which Export Obligation Discharge Certificate (EODC) has not been received as on date of this Draft Red Herring Prospectus.

License No.	Issuing Authority	Date of Issue	Export Obligation (USD)	Export Obligation (INR Lacs)	Duty Saved (INR Lacs)	Outstanding Export Obligation (INR Lacs)	Export Obligation Period
561000484 2/2/03/00	Foreign Trade Development Officer, Directorate General of Foreign Trade, Government of India	February 22, 2016	29,900	19.34	6.33	Nil	(24 Months) February 21, 2018
561000491 3/2/03/00	Foreign Trade Development Officer, Directorate General of Foreign Trade, Government of India	May 23, 2016	52,411	34.64	4.58	0.12	(24 Months) May 22, 2018
561000528 9/2/03/00	Foreign Trade Development Officer, Directorate General of Foreign Trade, Government of India	January 02, 2018	53,401	33.75	1.80	2.08	(18 Months) July 02, 2019
561000535 4/2/03/00	Foreign Trade Development Officer, Directorate General of Foreign Trade, Government of India	February 27, 2018	1,07,398	67.50	2.11	Nil	(18 Months) August 27, 2019
561000562 9	Foreign Trade Development Officer, Directorate General of Foreign Trade, Government of India	June 04, 2019	1,12,230	78.00	0	Nil	(12 Months) June 04, 2020

APPROVALS APPLIED FOR BUT NOT YET RECEIVED / RENEWALS MADE IN THE USUAL COURSE OF BUSINESS: Nil

MATERIAL LICENSES / APPROVALS FOR WHICH OUR COMPANY IS YET TO APPLY FOR / STATUTORY APPROVALS / LICENSES REQUIRED:

Registration under Contract Labour Registration (Under Section 7 of the Contract Labour (Regulation & Abolition) Act, 1970 and rules made thereunder)

DETAILS OF APPROVALS FOR THE PROPOSED FACILITY:

We are engaged in the manufacturing of Active Pharma Ingredients since two decades thereby using optimum manufacturing capacity. In order to cater increasing bulk demands for API products and to give boost to our Export operations, we have decided to expand production capacity at the adjoining land. The proposed facility is being established with modern technology to manufacture few more Active Pharma Ingredients (APIs) in GMP (Good Manufacturing Practices) Compliant environment. According to the report, we are intending to set up 350 MT per year capacity plant for manufacturing of APIs. The project will be partially financed from the proceeds of the Issue.

Location of the Proposed Facility:

Plot No. 85 A & 85 B, Sector-E, Sanwer Road Industrial Area, Village Narval, Tehsil Indore - 452 015, Madhya Pradesh, India

Plot No. 86 B, Sector-E, Sanwer Road Industrial Area, Village Narval, Tehsil Indore - 452 015, Madhya Pradesh, India

Registration with District Industries Department:

The District Industries Center (DIC) issues "Udhyog Aadhaar Memorandum" from the date of starting of Commercial production. We shall be applying to DIC as soon as the commercial production commences.

Environment related Clearance from Pollution Control Board

Our Company has made application dated December 15, 2018 with Madhya Pradesh Pollution Control Board for Environment Clearance for Capacity Expansion for manufacturing Bulk Drugs and Intermediate Product at proposed facility. The said application was forwarded by State Environment Impact Assessment Authority to State Level Expert Appraisal Committee for determining scope of activities and Terms of reference in order to carry out Environmental Impact Assessment and to prepare Environment Management Plan for the project.

Accordingly, Terms of Reference dated March 01, 2019 has been issued by State Level Expert Appraisal Committee, Madhya Pradesh Pollution Control Board, Government of India, Ministry of Environment, Forest and Climate Change. As on date of this Draft Red Herring Prospectus, Company is in process of complying with those terms in order to obtain Consent to Establish from Madhya Pradesh Pollution Control Board.

Requirement of Power:

Our Company meets its current power requirements for manufacturing facilities by purchasing electricity from Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited (MPPKVVCL). It has sanctioned 124KVA power load to the company. For the proposed facility, we will obtain another connection of 124 KVA from 33 KVA high tension line from MPPKVVCL and double the capacity of existing power connection from 124 KVA to 248 KVA by adding necessary transformer and cable for uninterrupted power supply. Necessary application will be filed and other formalities to take new connection will be completed in due course of time.

Requirement of Water:

We require ample water for our manufacturing activities. Company will fulfill its water requirements from supplies by own tube well, through supplies of Madhya Pradesh Audyogik Kendra Vikas Nigam and by procuring the same from Third Party via Tankers.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorised by a resolution of the Board passed at their meeting held on August 1, 2019, which was subject to the approval of shareholders through special resolution. The shareholders of our Company have approved this issue vide a Special Resolution passed at an Annual General Meeting held on August 23, 2019 at the Registered Office of our company.

We have received In-Principle Approval from National Stock Exchange of India Limited vide their letter dated [●].

PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

We confirm that our Company, Directors, Promoters, Promoter Group, person in control of our Company, are not prohibited from accessing or operating in the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority / court as on the date of this Draft Red Herring Prospectus.

Our Company and members of the Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended (“**SBO Rules**”) to the extent applicable to each of them as on the date of this Draft Red Herring Prospectus.

Neither our Promoters, nor any of our Directors or persons in control of our Company were or is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities as on the date of this Draft Red Herring Prospectus.

None of our Directors are associated with the securities market in any manner and there is no outstanding action initiated against them by SEBI in the past 5 years.

Further, none of our Promoters or Directors are declared as fugitive economic offenders under Fugitive Economic Offenders Act, 2018.

PROHIBITION BY RBI

Neither our Company nor any of our Promoters or Directors have been identified as wilful defaulter(s) by the RBI or any other governmental authority.

ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in accordance with regulation 229(2) and other provisions of chapter IX of the SEBI (ICDR) Regulations, 2018 as the post Issue face value capital is more than Rs. 1,000 lakhs and upto Rs. 2,500 lakhs. Our Company also complies with the eligibility conditions laid by the EMERGE Platform of National Stock Exchange of India Limited for listing of our Equity Shares.

We confirm that:

1. In accordance with regulation 260 of the SEBI (ICDR) Regulations, this Issue will be 100% underwritten and shall not restrict to the minimum subscription level. The BRLM shall underwrite at least 15% of the total Issue size. For further details pertaining to underwriting please refer to chapter titled “*General Information*” beginning on page 55 of this Draft Red Herring Prospectus.
2. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013 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.

3. We have filed Draft Red Herring Prospectus with stock exchange. The Draft Red Herring Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 246 of SEBI (ICDR), 2018. However, pursuant to sub regulation (5) of regulation 246, the copy of Draft Red Herring Prospectus shall also be furnished to the SEBI in a soft copy.
4. In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Book Running Lead Manager and Market Maker to ensure compulsory market making for the minimum period of three years from the date of listing of equity shares offered in this issue. For further details of the market making arrangement see chapter titled “*General Information*” beginning on page 55 of this Draft Red Herring Prospectus.
5. Our Company is incorporated under Companies Act, 1956.
6. The Company has track record of 3 years and positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the date of filing of this Draft Red Herring Prospectus.
7. Networth of the Company is positive as per the latest audited financial statements.
8. The Company has not been referred to Board for Industrial and Financial Reconstruction.
9. No petition for winding up is admitted by a court of competent jurisdiction against the company.
10. The Company has website www.unidrugindia.com
11. There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting companies of the Company.
12. There is no default of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting companies of the Company.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS 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 THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, HAS FURNISHED TO SEBI IN THE FORMAT

PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Red Herring Prospectus with the Registrar of Companies, Madhya Pradesh, in terms of Section 26 and 32 of the Companies Act, 2013.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER

Our Company, our Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than in the Draft Red Herring Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website, www.unidrugindia.com would be doing so at his or her own risk.

BRLM accepts no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement to be entered into between the Underwriters our Company.

All information will be made available by the Book Running Lead Manager, Underwriters, Syndicate members and our Company to the public and bidders at large and no selective or additional information would be available for any section of the bidders in any manner whatsoever including at road shows, presentations, in research or sales reports etc. We shall not be liable to the Bidders for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Our Company and the BRLM or any other member of the Syndicate shall not be liable to the Bidders for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER

For details regarding the price information and track record of the past issues handled by Pantomath Capital Advisors Private Limited, please refer “Annexure A” to this Draft Red Herring Prospectus and the website of Book Running Lead Manager at www.pantomathgroup.com

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such

jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai, Maharashtra only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with National Stock Exchange of India Limited for its observations and National Stock Exchange of India Limited shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Draft Red Herring Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED

As required, a copy of this Draft Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). National Stock Exchange of India Limited has given vide its letter [●] permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this 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 National Stock Exchange of India Limited should not in any way be deemed or construed that the offer document has been cleared or approved by National Stock Exchange of India Limited; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

LISTING

An application has been made to the Emerge Platform of National Stock Exchange of India Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. National Stock Exchange of India Limited is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The Emerge Platform of National Stock Exchange of India Limited has given its in-principle approval for using its name in our Offer Document vide its letter [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the Emerge Platform of National Stock Exchange of India Limited, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Draft Red Herring Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e.

from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 working days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under section 40 of the Companies Act, 2013 and SEBI (ICDR) Regulations.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of National Stock Exchange of India Limited mentioned above are taken within six Working Days from the Issue Closing Date.

CONSENTS

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor & Peer Reviewed Auditor, Banker to the Company & Sponsor Bank and (b) Book Running Lead Manager, Syndicate Member, Underwriter, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue, to act in their respective capacities have been obtained and shall be filed along with a copy of the Red Herring Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Red Herring Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Red Herring Prospectus and Prospectus for filing with the RoC.

EXPERT TO THE ISSUE

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

- Report of the Auditor on Statement of Tax Benefits
- Report of the Auditor on Restated Financial Statements for the financial year ended March 31, 2019, 2018 and 2017 of our company.

PREVIOUS RIGHTS AND PUBLIC ISSUES

Except as stated in the chapter titled “*Capital Structure*” beginning on page 67 of this Draft Red Herring Prospectus, we have not made any previous rights and/or public issues during last 5 years, and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the last 5 years.

CAPITAL ISSUE DURING THE PREVIOUS THREE YEARS BY ISSUER COMPANY AND LISTED GROUP COMPANIES / SUBSIDIARIES / ASSOCIATES

Neither our Company nor any of our Group Company/Subsidiary/Associates have undertaken any capital issue or any public or rights issue in the last three years preceding the date of this Draft Red Herring Prospectus.

PROMISE VERSUS PERFORMANCE FOR OUR COMPANY AND/OR LISTED SUBSIDIARY COMPANY AND/OR LISTED PROMOTER COMPANY

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us. Further, none of our Subsidiaries or Promoter Companies are listed on any stock exchange, so, data regarding promise versus performance is not applicable.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the bidder, UPI Id (if applicable), number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant / Bidder, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants / bidders.

Further, none of our subsidiary companies or Group Companies are listed on any stock exchange, so disclosure regarding mechanism for redressal of investor grievances for our subsidiary companies are not applicable.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on August 01, 2019. For further details, please refer to the chapter titled “*Our Management*” beginning on page 171 of this Draft Red Herring Prospectus.

Our Company has appointed Anamika Runwal as Company Secretary and Compliance Officer and she may be contacted at the following address:

Anamika Runwal

Unidrug Innovative Pharma Technologies Limited

Plot. No. 84-A, Sector – E, Sanwer Road, Indore - 452015

Madhya Pradesh, India

Tel: +91 0731-2720402

Email: cs@unidrugindia.com

Website: www.unidrugindia.com

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, *etc.*

SECTION VIII – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued and transferred pursuant to this Issue shall be subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the SEBI Listing Regulations, the terms of the Draft Red Herring Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/ the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the FIPB, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the FIPB, the Stock Exchanges, the RoC and any other authorities while granting their approval for the Issue.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

RANKING OF EQUITY SHARES

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association and shall rank *pari - passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act, 1956 and Companies Act, 2013 and the Articles. For further details, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page 263 of this Draft Red Herring Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, SEBI Listing Regulations and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act, SEBI Listing Regulations and our Articles of Association. For further details, please refer to the chapter titled “*Dividend Policy*” on page 195 of this Draft Red Herring Prospectus.

FACE VALUE AND ISSUE PRICE PER SHARE

The face value of the Equity Shares is Rs. 10 each and the Issue Price at the lower end of Price Band is Rs. [●] per Equity Share and at the higher end of the Price Band is Rs. [●] per Equity Share.

The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and advertised in All edition of the English national newspaper [●], All edition of the Hindi national newspaper [●] and the Regional newspaper [●], each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading the same on its website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be prefilled in the Bid cum Application Forms available on the website of the Stock Exchange.

At any given point of time there shall be only one denomination of Equity Shares.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013 Act, the terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page 263 of this Draft Red Herring Prospectus.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated August 30, 2018 amongst NSDL, our Company and the Registrar to the Issue;
- Agreement dated August 18, 2018 amongst CDSL, our Company and the Registrar to the Issue.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is [●] Equity Share. Allotment in this Issue will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Allocation and allotment of Equity Shares through this issue will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful applicants.

MINIMUM NUMBER OF ALLOTTEES

In accordance with the Regulation 268 of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra, India.

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

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

JOINT HOLDER

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

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.

NOMINATION FACILITY TO BIDDERS

In accordance with Section 72 of the Companies Act, 2013 the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- a. to register himself or herself as the holder of the Equity Shares; or
- b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager through, the Registrar to the Issue, shall notify the SCSBs or the Sponsor Bank to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange.

BID/ ISSUE OPENING DATE

Bid / Issue Opening Date	[●]
Bid / Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	[●]
Unblocking of funds from ASBA Accounts / Initiation of Refunds	On or before [●]
Credit of Equity Shares to demat accounts of Allottees	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [●]

The above timetable is indicative and does not constitute any obligation on our Company, and the BRLM. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bids and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Bid/Issue Period. On the Bid/Issue Closing Date, the Bids and any revision to the same shall be accepted between **10.00 a.m. and 5.00 p.m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of Bids received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 5.00 p.m. (IST) on the Bid/Issue Closing Date. All times mentioned in this Draft Red Herring Prospectus are Indian Standard Times.

Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public issue, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on Business Days. Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise. Any time mentioned in this Draft Red Herring Prospectus is Indian Standard Time.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision of the Price Band, the Bid/Issue Period will be extended for at least three additional working days after revision of Price Band subject to the Bid/ Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the changes on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Member.

In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the bidding (issue) period disclosed in the red herring prospectus (in case of a book built issue) or the issue period disclosed in the prospectus (in case of a fixed price issue), for a minimum period of three working days, subject to the Bid/ Offer Period not exceeding 10 working days.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask for rectified data

MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level and is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Offer Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond fifteen days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260(1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Red Herring Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268 of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty)

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.1,00,000/- (Rupees One Lakh) per application.

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

MIGRATION TO MAIN BOARD

Our company may migrate to the Main board of National Stock Exchange of India Limited from SME Exchange on a later date subject to the following:

- *If the Paid up Capital of our Company is likely to increase above Rs. 2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to National Stock Exchange of India Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- *If the Paid up Capital of our company is more than Rs. 1,000 lakhs but below Rs. 2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

MARKET MAKING

The shares issued through this Issue are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (SME Exchange) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on EMERGE Platform of National

Stock Exchange of India Limited. For further details of the market making arrangement please refer to chapter titled “*General Information*” beginning on page 55 of this Draft Red Herring Prospectus.

ARRANGEMENT FOR DISPOSAL OF ODD LOT

The trading of the equity shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on EMERGE Platform of National Stock Exchange of India Limited.

OPTION TO RECEIVE SECURITIES IN DEMATERIALISED FORM

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

NEW FINANCIAL INSTRUMENTS

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for lock-in of the pre-Issue Equity Shares and Promoter’s minimum contribution in the Issue as detailed in the chapter “*Capital Structure*” beginning on page 67 of this Draft Red Herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled “*Main Provisions of the Articles of Association*” beginning on page 263 of this Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our post issue face value capital exceeds ten crore rupees but does not exceed twenty five crore rupees. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the EMERGE Platform of National Stock Exchange of India Limited). 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 236 and 244 of this Draft Red Herring Prospectus.

Following is the issue structure:

Initial Public Issue of upto 41,34,000 Equity Shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at a price of Rs. [●]/- (including a premium of Rs. [●]/-) aggregating to Rs. [●] Lakhs. The Issue comprises a Net Issue to the public of up to [●] Equity Shares (the "Net Issue"). The Issue and Net Issue will constitute [●] % and [●] % of the post-Issue paid-up Equity Share capital of our Company.

The issue comprises a reservation of [●] Equity Shares of Rs. 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion").

Particulars	Market Maker Reservation Portion	Non –Institutional Bidders	Retail Individual Bidders
Number of Equity Shares	[●] Equity Shares	[●] Equity Shares	[●] Equity Shares
Percentage of issue Size available for allocation	[●] % of issue Size	[●] % of the net issue shall be available for allocation	[●] % of issue Size
Basis of Allotment / Allocation if respective category is oversubscribed	Firm allotment	Proportionate	Proportionate subject to minimum allotment of [●] equity shares and further allotment in multiples of [●] equity shares each. For further details please refer to the section titled " <i>Issue Procedure</i> " beginning on page 244 of the Draft Red Herring Prospectus
Mode of Bid cum Application	Through ASBA Process only	Through ASBA Process only	Through ASBA Process only
Minimum Bid Size	[●] Equity Shares of Face Value of Rs. 10.00 each	Such number of Equity shares in multiple of [●] Equity shares such that Application size exceeds Rs. 2,00,000	[●] Equity Shares of Face Value of Rs. 10.00 each
Maximum Bid Size	[●] Equity Shares of Face Value of Rs 10 each	Not exceeding the size of the Issue, subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed Rs. 2,00,000
Mode of Allotment	Compulsorily in Dematerialised mode	Compulsorily in Dematerialised mode	Compulsorily in Dematerialised mode
Trading Lot	[●] Equity Shares,	[●] Equity Shares and	[●] Equity Shares and

Particulars	Market Maker Reservation Portion	Non –Institutional Bidders	Retail Individual Bidders
	however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	in multiples thereof	in multiples thereof
Terms of payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder that is specified in the ASBA Form at the time of submission of the ASBA Form, or in the UPI-linked bank account in the case of Retail Individual Bidders using the UPI Mechanism.		

1) Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange.

2) In terms of Rule 19(2)(b)(i) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post-Issue paid-up Equity Share capital of our Company. This Issue is being made through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI ICDR Regulations.

In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

ISSUE PROCEDURE

All Bidders should review the General Information Document, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Bidders/Applicants; (v) Issuance of CAN and Allotment in the Offer; (vi) General instructions (limited to instructions for completing the Bid Form); (vii) Submission of Bid Form; (viii) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (x) mode of making refunds; and (xi) interest in case of delay in Allotment or refund.

SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by SEBI.

Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

BOOK BUILDING PROCEDURE

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue has been made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process and the allocation to the public will be made as per Regulation 253 of the SEBI ICDR Regulations.

Subject to the valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Bidders shall not be less than the minimum Bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Stock Exchange.

Investors should note that according to Section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Bidders will only be in the dematerialised form. The Bid cum Application Forms which do not have the details of the Bidder's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Bid cum Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the bid is liable to be rejected. Bidders will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

PHASED IMPLEMENTATION OF UPI FOR BIDS BY RETAIL INDIVIDUAL BIDDERS AS PER THE UPI CIRCULAR

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 (collectively the “**UPI Circular**”) in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circular, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- **Phase I:** This phase was applicable from January 1, 2019 and till June 30, 2019. Under this phase, a Retail Individual Bidder had the option to submit the Bid cum Application Form with any of the intermediaries and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.
- **Phase II:** This phase has become applicable from July 1, 2019 and will continue for a period of three months or floating of five main board public issues, whichever is later. Under this phase, physical submission of the Bid cum Application Form by a Retail Individual Bidder through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will compulsorily be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.
- **Phase III:** Subsequently, under this phase, the time duration from public issue closure to listing would be reduced to be three Working Days.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The issuers are to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Bidders into the UPI Mechanism.

For further details, refer to the General Information Document to be available on the website of the Stock Exchange and the BRLM.

BID CUM APPLICATION FORM

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the website of the National Stock Exchange of India Limited (www.nseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Bid/Issue Opening Date.

All the investors (except Retail Individual Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, Retail Individual Investors applying in public Issue shall use only UPI payment mechanism for application.

The bid cum application form submitted by NIIs and QIBs must provide bidder's bank account details and authorization to block funds in the relevant space provided in the Bid cum Application Form. Further, Retail Individual Investors submitting bid cum application form using UPI shall mention the UPI of the his/her own Bank account in the bid cum application form in the relevant space and the Bid cum Application Forms that do not contain such details are liable to be rejected.

Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of the syndicate member/ SCSBs/ RTA/ DPs/ stock brokers, submitted at the Collection Centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

**excluding electronic Bid cum Application Form*

Designated Intermediaries (other than SCSBs) after accepting application form submitted by NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid cum Application Forms to respective SCSBs where the Bidder has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to Designated Intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant bid details, including UPI ID, in the electronic bidding system of Stock Exchange.

Further, Intermediaries shall retain physical application forms submitted by retail individual investors with UPI as a payment mechanism, for a period of six months and thereafter forward the same to the issuer/ Registrar to the Issue. However, in case of Electronic forms, "printouts" of such applications need not be retained or sent to the issuer. Intermediaries shall, at all times, maintain the electronic records relating to such forms for a minimum period of three years.

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Draft Red Herring 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 website of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or Sponsor Bank, as applicable, at the time of submitting the Bid.

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries

- i. an SCSB, with whom the bank account to be blocked, is maintained
- ii. a syndicate member (or sub-syndicate member)
- iii. a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ("broker")
- iv. a depository participant ("DP") (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- v. 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)

Retails Individual investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as 'Intermediaries'), shall enter their UPI ID in the Bid-Cum-Application Form.

It is clarified that Retail Individual Bidders may continue to submit physical ASBA Forms with SCSBs without using the UPI Mechanism.

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.

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 other than Retail Individual 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 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.
For applications submitted by Retail Individual Investors to intermediaries other than SCSBs with use of UPI for payment	<p>After accepting the application form, respective intermediary shall capture and upload the relevant bid details, including UPI ID, in the electronic bidding system of Stock Exchange.</p> <p>Stock Exchange shall share bid details including the UPI ID with Sponsor Bank on a continuous basis, to enable Sponsor Bank to initiate mandate request on Retail Individual Investors for blocking of funds.</p> <p>Sponsor Bank shall initiate request for blocking of funds through NPCI to Retail Individual Investor. Retail Individual Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.</p>

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by Stock Exchange.

Stock Exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Applicants.

WHO CAN BID?

In addition to the category of Bidders, set forth in the GID, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- Scientific research organizations authorized in India to invest in the Equity Shares; and
- Any other persons eligible to Bid in the Issue under the laws, rules, regulations, guidelines and policies applicable to them.

As per the existing RBI regulations, OCBs cannot participate in this Issue.

PARTICIPATION BY ASSOCIATED/ AFFILIATES OF BOOK RUNNING LEAD MANAGER AND SYNDICATE MEMBERS, PROMOTER GROUP AND PERSONS RELATED TO PROMOTER/PROMOTER GROUP

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of BRLM and syndicate members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Promoter and Promoter Group and any persons related to our Promoters and Promoter Group cannot participate in the Issue.

BIDS BY MUTUAL FUNDS

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

BIDS BY ELIGIBLE NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the members of the Syndicate, the sub-Syndicate, if applicable, the SCSBs, the Registered Brokers, RTAs and CDPs. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Bids by Eligible NRIs and Category III FPIs for a Bid Amount of less than Rs. 200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding Rs. 200,000 would be considered under the Non-Institutional Category for allocation in the Issue.

In case of Eligible NRIs bidding under the Retail Category through the UPI mechanism, depending on the nature of the investment whether repatriable or non-repatriable, the Eligible NRI may mention the appropriate UPI ID in respect of the NRE account or the NRO account, in the Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non- Residents (blue in colour). For details of restrictions on investment by NRIs, please refer to the chapter titled "*Restrictions on Foreign Ownership of Indian Securities*" beginning on page 260 of this Draft Red Herring Prospectus.

BIDS BY HUFs

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: “Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bids by HUFs may be considered at par with Bids from individuals;

BIDS BY FPIs

On January 7, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely ‘foreign institutional investors’ and ‘qualified foreign investors’ are subsumed under a new category namely ‘foreign portfolio investors’ or ‘FPIs’. RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

An FPI is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to the following conditions:

- (a) offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

BIDS BY SEBI REGISTERED VCFs, AIFs and FVCIs

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than

1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

BIDS BY LIMITED LIABILITY PARTNERSHIPS

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration offered under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

BIDS BY BANKING COMPANY

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("Banking Regulation Act"), and the Reserve Bank of India ("Financial Services provided by Banks") Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks 'interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

BIDS BY SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars (Nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

BIDS BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES

In case of Bids made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof. Systematically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

BIDS BY INSURANCE COMPANIES

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- (a) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- (b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under 1, 2 and 3 above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Bids made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid Cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

BIDS UNDER POWER OF ATTORNEY

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, Government of India, Systemically Important Non-Banking Financial Company or the National Investment Fund and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager and the Syndicate Members are not liable for any amendments or modification or

changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus.

SIGNING OF UNDERWRITING AGREEMENT AND REGISTERING OF DRAFT RED HERRING PROSPECTUS/ PROSPECTUS WITH ROC

- (a) Our Company have entered into an Underwriting agreement dated [●].
- (b) A copy of the Red Herring Prospectus will be registered with the RoC and copy of Prospectus will be registered with ROC in terms of Section 32 of the Companies Act, 2013 and Section 26 of the Companies Act, 2013.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company will, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in: (i) English National daily Newspaper; (ii) Hindi National daily Newspaper; and (iii) Regional Newspaper, each with wide circulation at the place where the Registered Office of the Company is situated. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid Closing Date and the floor price or price band along with the necessary details subject to Regulation 250 of the SEBI ICDR Regulations. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Draft Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

GENERAL INSTRUCTIONS

Please note that NIIs are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investors can revise their Bid(s) during the Bid/ Issue period and withdraw their Bid(s) until Bid/ Issue closing date.

In addition to the general instructions provided in the General Information Document, Bidders are requested to note the additional instructions provided below:-

A. Do's and Don'ts

Do's:

1. Check if you are eligible to apply as per the terms of the Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID and Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the

Bid cum Application Form;

7. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
8. QIBs and Non-Institutional Bidders should submit their Bids through the ASBA process only. Pursuant to SEBI circular dated November 01, 2018 and July 26, 2019, RII shall submit their bid by using UPI mechanism for payment.
9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, 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);
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
16. Ensure that the category and the investor status is indicated;
17. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc, relevant documents are submitted;
18. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
19. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
20. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time

prescribed as per the Bid cum Application Form and the Draft Red Herring Prospectus;

21. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
22. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
23. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
24. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
25. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
26. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceeding ₹ 2,00,000 (for Bids by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Draft Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

16. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

OTHER INSTRUCTIONS FOR THE BIDDERS

Joint Bids

In the case of Joint Bids, the Bids should be made in the name of the Bidder whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.

All communications may be addressed to such Bidders and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

Multiple Bids

A Bidder should submit only one Bid cum Application Form. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, the sub-Syndicate, SCSB, Registered Broker, RTA and CDP and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

INVESTOR GRIEVANCE

In case of any pre-Issue or post-Issue related problems regarding demat credit/refund orders/unblocking etc., the Investors can contact the Compliance Officer of our Company.

NOMINATION FACILITY TO BIDDERS

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

SUBMISSION OF BIDS

- a) During the Bid/ Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- b) In case of Bidders (excluding NIIs) Bidding at Cut-off Price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- c) For Details of the timing on acceptance and upload of Bids in the Stock Exchange Platform Bidders are requested to refer to the DRHP.

GROUND OFS OF TECHNICAL REJECTIONS

Bidders are advised to note that Bids are liable to be rejected *inter alia* on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bids by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price.

- GIR number furnished instead of PAN;
- Bids for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-Off Price by NIIs.
- Bids for number of Equity Shares which are not in multiples of the Equity Shares as specified in the DRHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the DRHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bids accompanied by stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms are not delivered by the Bidders within the time prescribed as per the Bid cum Application Forms, Bid/ Issue Opening Date advertisement and the RHP and as per the instructions in the DRHP and the Bid cum Application Forms;
- In case, no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bids by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchange; and
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form /Application Form. Bids not duly signed by the sole/First Bidder.
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;

- ASBA Account number or UPI ID not mentioned or incorrectly mentioned in the Bid cum Application Form/Application Form;
- Submission of Bid cum Application Forms/Application Form using third party ASBA Bank Account;
- Submission of more than one Bid cum Application Form per UPI ID by RIIs bidding through Designated Intermediaries;
- In case of Bids by RIIs (applying through the UPI mechanism), the UPI ID mentioned in the Bid cum Application Form is linked to a third party bank account;
- The UPI Mandate is not approved by Retail Individual Investor; and
- The original Bid/Application is made using the UPI mechanism and revision(s) to the Bid/Application is made using ASBA either physically or online through the SCSB, and *vice-versa*.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- (a) Agreement dated August 30, 2018 among NSDL, the Company and the Registrar to the Issue; and
- (b) Agreement dated August 18, 2018 among CDSL, the Company and the Registrar to the Issue.

The Company's shares bear ISIN no INE01HN01015.

IMPERSONATION

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who—

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable for action under Section 447.”

PROCEDURE AND TIME OF SCHEDULE FOR ALLOTMENT AND DEMAT CREDIT

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. **Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders who have been Allotted Equity Shares in the Issue.

- (a) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (b) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Bidders Depository Account which will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Bidder depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

BASIS OF ALLOTMENT

a. For Retail Individual Bidders

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Net Issue size less Allotment to Non-Institutional Investors shall be available for Allotment to Retail Individual Bidders, who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

b. For Non-Institutional Bidders

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Net Issue size less Allotment to Retail Investors shall be available for Allotment to Non-Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

UNDERTAKINGS BY THE COMPANY

Our Company undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within six working days from Issue Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

5. That our Promoter's contribution in full has already been brought in;
6. That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.;
7. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
8. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/ Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The Stock Exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
9. If our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/ RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issue;
10. If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period

UTILIZATION OF THE ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

1. all monies received out of the Issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of the SEBI Listing Regulations in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchange where listing is sought has been received.
6. The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactory.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (**"FEMA"**). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (**"RBI"**) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (**"DIPP"**).

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (**"FDI"**) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (**"DIPP"**), has issued consolidated FDI Policy Circular of 2017(**"FDI Policy 2017"**), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India (**"RBI"**) also issues Master Directions Foreign Investment in India and updates at the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, an Indian Company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions. The Indian Company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present, our Company is in the business of manufacturing of Active Pharmaceutical Ingredients (API). These activities are covered under the head of "Manufacturing" (Article 5.2.5.1) of the FDI Policy 2017 which permits 100% of foreign direct investment through automatic route. Government of India allows 100% Foreign direct Investment (FDI) in Greenfield Pharma and 74 % in Brownfield Pharma under automatic route. Therefore, applicable foreign investment up to 100% is permitted in our Company under the automatic route. In case of investment in sectors through Government Route approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained by the Company.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include: (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that: a) the requisite approval of the Government has been obtained, and b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.; (ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence to the pricing guidelines and documentation requirements as specified by Reserve Bank of India from time to time.; (iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that: a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, etc.), reporting requirements, documentation etc.; b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with

the AD bank and iv) where the investee Company is in the financial sector provided that: a) Any 'fit and proper/due diligence' requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and b) The FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company investors 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. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Investment conditions/restrictions for overseas entities

Under the current FDI Policy 2017, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017. Any equity holding by a person resident outside India resulting from the conversion of any debt instrument under any arrangement shall be reckoned as a foreign investment under the composite cap.

Portfolio Investment to aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in the transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance with sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity, will not exceed the sectoral/statutory cap.

Subject to the provisions of the FDI policy, foreign investment in 'manufacturing' sector is under the automatic route. Further, a manufacturer is permitted to sell its products manufactured in India through wholesale and/or retail, including through e-commerce, without Government approval.

i. Investment by FPIs under Portfolio Investment Scheme (PIS):

With regards to purchase/sale of capital instruments of an Indian Company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10 % of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian Company and the total holdings of all FPIs put together shall not exceed 24 % of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian Company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

ii. Investment by NRI or OCI on repatriation basis:

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian Company (hereinafter referred to as "Capital Instruments") of a listed Indian Company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 that is:

The total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian Company and the total holdings of all NRIs and OCIs put together shall not exceed 10 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian Company.

iii. Investment by NRI or OCI on non-repatriation basis

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Draft Red Herring Prospectus.

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

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

**SECTION IX – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION
THE COMPANIES ACT, 2013**

COMPANY LIMITED BY SHARES (Incorporated under the Companies Act, 1956)

ARTICLES OF ASSOCIATION OF

UNIDRUG INNOVATIVE PHARMA TECHNOLOGIES LIMITED

PRELIMINARY

I. Subject as hereinafter provided the Regulations contained in Table ‘F’ in the Schedule I to the Companies Act, 2013 shall apply to the Company so far as they are applicable to Public Company except so far as they have implied or expressly modified by what is contained in the Articles of Association mentioned as altered or amended from time to time.

II. (1)

INTERPRETATION

In these regulations—

“Company” means **“UNIDRUG INNOVATIVE PHARMA TECHNOLOGIES LIMITED”**. “Act” means the Companies Act, 2013.

“These Articles” means the articles of association of a Company as originally framed or as altered from time to time or applied in pursuance of any previous Company law or of this Act.

“Annual General Meeting” means a general meeting of the members held as such, in accordance with the provisions of the Act.

“Board” shall mean the collective body of the directors of the Company.

“Capital” means the Share Capital, for the time being, raised or authorized to be raised, for the purpose of the Company.

“Debenture” includes debenture stock, bonds or any other instrument of a Company evidencing a debt, whether constituting a charge on the assets of the Company or not.

“Directors” means a director appointed to the Board of the Company. “Dividend” includes any interim dividend.

“Extraordinary General Meeting” means an extraordinary general meeting of the members, duly called and constituted, and any adjourned holding thereof.

“Member” means member as defined under section 2(55) of the Companies Act, 2013.

“Meeting” or “General Meeting” means meeting of members.

“Month” means a period of 30 (Thirty) days and a “Calendar Month” means an English calendar month.

“Paid-up” means paid up capital as defined under section 2(64) of the Companies Act, 2013.

“Register of Members” means the Register of Members to be kept pursuant to the Act. “Seal” means the common seal of the company.

“Secretary” or “Company Secretary” means a Company Secretary, within the meaning of clause (c) of Sub section (1) of Section 2 of the Company Secretaries Act, 1980, who is appointed by the Company to perform the function of the Company Secretary under this Act.

“Share” means a Share in the Capital of the Company, and includes stock, except where the distinction between stock and shares is express or implied.

Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

SHARE CAPITAL AND VARIATION OF RIGHTS

1. The Authorized Share Capital of the company shall be such amount and be divided into such shares as may, from time to time, be provided in Clause V of the Memorandum of Association with the power from time to time to increase or reduce Its capital and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, cumulative, convertible, guaranteed, qualified or special rights, privileges, conditions or restrictions, as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions or restrictions in such manner as may for the time being be permitted by the Articles of Association of the Company or the legislative provisions for the time being in force in that behalf as permitted under the Companies Act, 2013.
2. 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.
3. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—
 - (a) one certificate for all his shares without payment of any charges; or
 - (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
 - (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
4. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
 - (ii) The provisions of Articles (3) and (4) shall mutatis mutandis apply to debentures of the company.
5. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
6. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rule made thereunder.
 - (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

- (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
7. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- (ii) To every such separate meeting, the provisions of these regulations relating general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
8. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further share ranking *pari passu* therewith.
9. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

LIEN

10. (i) The company shall have a first and paramount lien—
- (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
- (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:
- Provided that the Board of directors may at any time declare any share to wholly or in part exempt from the provisions of this clause.
- (ii) The company's lien, if any, on a share shall extend to all dividend bonuses declared from time to time in respect of such shares.
11. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:
12. Provided that no sale shall be made-
- (a) unless a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
- (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

- (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

- (iii) A call may be revoked or postponed at the discretion of the Board.

15. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.
16. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
17. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
 - (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
18. (i) Any sum which by the terms of issue of a share becomes payable on 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 regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
 - (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
19. The Board-

- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

TRANSFER OF SHARES

20. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
 - (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
21. The Board may, subject to the right of appeal conferred by section 58 decline to register—
 - (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
 - (b) any transfer of shares on which the company has a lien.

22. The Board may decline to recognize any instrument of transfer unless-
- (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
 - (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
 - (c) the instrument of transfer is in respect of only one class of shares.
23. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:
- Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

TRANSMISSION OF SHARES

24. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a shareholder, shall be the only persons recognized by the company as having any title to his interest in the shares.
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
25. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
- (a) to be registered himself as holder of the share; or
 - (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
26. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
27. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:
- Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have complied with.

FORFEITURE OF SHARES

28. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
29. The notice aforesaid shall—
- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
30. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
31. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
32. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
- (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
33. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
- (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
34. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

35. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
36. Subject to the provisions of section 61, the company may, by ordinary resolution,—
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

37. Where shares are converted into stock,-

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

38. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

CAPITALISATION OF PROFITS

39. (i) The company in general meeting may, upon the recommendation of the Board, resolve—
(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

40. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto. (ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

BUY-BACK OF SHARES

41. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

GENERAL MEETINGS

42. All general meetings other than annual general meeting shall be called extraordinary general meeting.

43. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

PROCEEDINGS AT GENERAL MEETINGS

44. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

45. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

46. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

47. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

ADJOURNMENT OF MEETING

48. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

49. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
50. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
51. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
52. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
53. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
54. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
55. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

56. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the

case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

57. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
58. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

59. The first directors of the Company are:
1. **(1) SHRI AMARLAL NAVALANI**
 2. **(2) SMT. USHA DEVI NAVLANI**
60. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—
- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- (b) in connection with the business of the company.
61. The Board may pay all expenses incurred in getting up and registering the company.
62. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may subject to the provisions of that (section) make and vary such regulations as it may think fit respecting the keeping of any such register.
63. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
64. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
65. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
- (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

PROCEEDINGS OF THE BOARD

66. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

67. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
68. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
69. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
70. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
71. (i) A committee may elect a Chairperson of its meetings.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
72. (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
73. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
74. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

75. Subject to the provisions of the Act,—
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

76. A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

77. (i) The Board shall provide for the safe custody of the seal.
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of any director or such other person as the Board may appoint for the purpose; and the director or such other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVE

78. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
79. 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.
80. (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, think fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
81. (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.
- (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.
- (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.
82. 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.
83. (i) Any dividend, interest or other monies payable in cash in respect of shares maybe 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 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.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
84. 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.

85. 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.
86. No dividend shall bear interest against the company.

ACCOUNTS

87. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
- (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

WINDING UP

88. Subject to the provisions of Chapter XX of the Act and rules made thereunder—
- (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

89. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECRECY

90. Every Director, Auditor, Trustee, Member, of a committee, officer, Servant, Agent, Accountant or other person employed in the business of the Company shall if so required by the Directors before entering upon this duties sign a declaration pledging himself to observe secrecy, respecting all transactions of the company with its customers and State of Account with individuals and in matters relating thereto and shall or such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required by the Director or by any meeting, of this company or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions of these presents contain.

SECTION X – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Red Herring Prospectus which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at Plot No. 84 A, Sector-E, Sanwer Road Industrial Area, Village Narval, Tehsil Indore - 452 015, Madhya Pradesh, India from date of filing the Red Herring Prospectus with RoC to Bid Closing Date on working days from 10.00 a.m. to 5.00 p.m.

Material Contracts

1. Issue Agreement dated September 10, 2019 between our Company and the BRLM;
2. Registrar Agreement dated September 10, 2019 between our Company and Bigshare Services Private Limited, Registrar to the Issue;
3. Underwriting Agreement dated [●] between our Company and Underwriter viz. BRLM;
4. Market Making Agreement dated [●] between our Company, Market Maker and the BRLM;
5. Bankers to the Issue Agreement dated [●] amongst our Company, the BRLM, Banker(s) to the Issue, Sponsor Bank and the Registrar to the Issue;
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated August 30, 2018;
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated August 18, 2018;
8. Syndicate Agreement dated [●] between our Company, the BRLM and Syndicate Member.

Material Documents

1. Certified copies of the updated Memorandum and Articles of Association of our Company along with certificates of incorporation as amended from time to time;
2. Resolutions of the Board of Directors dated August 1, 2019 in relation to the Issue and other related matters;
3. Shareholders' resolution dated August 23, 2019 in relation to the Issue and other related matters;
4. Statement of Tax Benefits dated August 31, 2019 issued by S.N. Gadiya & Co., Chartered Accountants
5. Report of the S.N. Gadiya & Co., Chartered Accountants, dated August 31, 2019 on the Restated Financial Statements for the financial years ended as on March 31, 2019, 2018 and 2017 of our Company.
6. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Banker to the Company, Legal Advisor to the issue, the Book Running Lead Manager, Registrar to the issue, Underwriter, Market Maker, Bankers to the Issue, Refund Banker to the Issue, Sponsor Bank to act in their respective capacities.
7. Techno Economic Viability Report dated September 9, 2019 issued by Irfan Ahmed & Associates, Engineers & Consultants, Indore, Madhya Pradesh.
8. Copy of In-Principle approval from National Stock Exchange of India Limited *vide* letter dated [●], to use the name of National Stock Exchange of India in this issue document for listing of Equity Shares on EMERGE Platform of National Stock Exchange of India Limited.

None of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, the Securities Contracts (Regulation) Act, 1956 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

Signed by all the Directors of our Company

Name and Designation	Signature
Jainesh Jain <i>Chairman and Managing Director</i>	Sd/-
Varsha Jain <i>Non-Executive Director</i>	Sd/-
Bharat Jain <i>Non-Executive Director</i>	Sd/-
Gajanand Agrawal <i>Independent Director</i>	Sd/-
Mahesh Asawa <i>Independent Director</i>	Sd/-
Niresh Maheshwari <i>Independent Director</i>	Sd/-

Signed by Chief Financial Officer and Company Secretary and Compliance officer of the Company.

Sd/-

Mahesh Nabar
Chief Financial Officer

Place: Indore, Madhya Pradesh
Date: September 11, 2019

Sd/-

Anamika Runwal
**Company Secretary and
Compliance Officer**

Annexure A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED

Sr. No	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Manorama Industries Limited	64.00	188.00	October 04, 2018	190.20	-2.26% (-0.45%)	5.69% (3.09%)	6.38% (10.53%)
2.	Innovative Ideals and Services (India) Limited	12.26	40.00	October 05, 2018	43.00	215.00% (1.85%)	320.25% (4.41%)	299.75% (13.61%)
3.	Vinny Overseas Limited	10.37	40.00	October 11, 2018	40.50	11.25% (3.43%)	12.25% (5.54%)	5.00% (13.38%)
4.	Shubhlaxmi Jewel Art Limited	6.51	26.00	December 04, 2018	27.10	33.85% (-0.71%)	111.54% (-0.06%)	360.38% (9.69%)
5.	Deccan Health Care Limited	42.12	100.00	December 31, 2018	108.00	28.40% (-1.32%)	7.05% (7.22%)	-10.55% (9.22%)
6.	Surani Steel Tubes Limited	12.92	52.00	February 06, 2019	53.10	-4.81% (-0.04%)	-7.69% (4.84%)	-19.33% (-0.59%)
7.	Ritco Logistics Limited	48.18	73.00	February 07, 2019	77.40	-5.00% (-0.81%)	-3.49% (4.75%)	-8.70% (-0.73%)
8.	Artedz Fabs Limited	8.32	36.00	March 29, 2019	40.00	5.56% (1.12%)	-9.44% (1.92%)	Not Applicable
9.	Par Drugs and Chemicals Limited	8.53	51.00	May 16, 2019	52.90	-6.47% (5.03%)	-7.84% (-2.94%)	Not Applicable
10.	Suich Industries Limited	30.86	75.00	June 13, 2019	68.50	-42.00% (-2.53%)	-61.93% (-6.53%)	Not Applicable

Sources: All share price data is from www.bseindia.com and www.nseindia.com.

Note:-

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index.
2. Prices on BSE/NSE are considered for all of the above calculations.
3. In case the 30th/90th/180th day is a holiday, closing price on BSE/NSE of the previous trading day has been considered.
4. In case 30th/90th/180th days, scrips are not traded then closing price on BSE/NSE of the previous trading day has been considered.

SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO	Total funds raised (Rs. Cr)	Nos of IPOs trading at discount on 30th Calendar day from listing date			Nos of IPOs trading at premium on 30th Calendar day from listing date			Nos of IPOs trading at discount on 180th Calendar day from listing date			Nos of IPOs trading at premium on 180th Calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
17-18	*30	610.90	-	-	4	10	7	9	-	2	6	12	3	7
18-19	**25\$#	477.04	-	-	7	2	4	11	1	2	10	3	1	7
19-20	***2\$\$	39.39	-	1	1	-	-	-	-	-	-	-	-	-

*The scripts Bohra Industries Limited, Creative Peripherals and Distribution Limited, Panache Digilife Limited, Zota Health Care Limited, Gautam Exim Limited, Bansal Multiflex Limited, Shrenik Limited, Jigar Cables Limited, Vaishali Pharma Limited, Lexus Granito (India) Limited, Worth Peripherals Limited, R M Drip and Sprinklers Systems Limited, Shree Tirupati Balajee FIBC Limited, Innovative Tyres and Tubes Limited, Poojawestern Metaliks Limited, Airo Lam Limited, Goldstar Power Limited, IRIS Business Services Limited, Tirupati Forge Limited, Beta Drugs Limited, One Point One Solutions Limited, Astron Paper & Board Mill Limited, Shree Ram Proteins Limited and Gujarat Hy – Spin Limited, Focus Suites Solutions & Services Limited, A and M Jumbo Bags Limited, Sintercom India Limited, Mohini Health & Hygiene Limited, South West Pinnacle Exploration Limited and Macpower CNC Machines Limited were listed on April 05, 2017, April 12, 2017, April 25, 2017, May 10, 2017, July 11, 2017, July 12, 2017, July 18, 2017, July 28, 2017, August 22, 2017, August 23, 2017, September 27, 2017, October 04, 2017, October 05, 2017, October 05, 2017, October 05, 2017, October 06, 2017, October 10, 2017, October 11, 2017, October 12, 2017, October 12, 2017, December 26, 2017, December 29, 2017, February 05, 2018, February 08, 2018, February 09, 2018, February 12, 2018, February 15, 2018, February 16, 2018, February 19, 2018 and March 22, 2018 respectively.

**The scripts of Benara Bearings and Pistons Limited, Soni Soya Products Limited, Vera Synthetic Limited, S.S. Infrastructure Development Consultants Limited, Mahickra Chemicals Limited, Akshar Spintex Limited, Softtech Engineers Limited, Innovators Façade Systems Limited, Shree Vasu Logistics Limited, Affordable Robotic & Automation Limited, Latteys Industries Limited, Nakoda Group of Industries Limited, ShreeOswal Seeds and Chemicals Limited, Priti International Limited, Accuracy Shipping Limited, Ganga Forging Limited, Ushanti Colour Chem Limited, Manorama Industries Limited, Innovative Ideals and Services (India) Limited, Vinny Overseas Limited, Shubhlaxmi Jewel Art Limited, Deccan Health Care Limited, Surani Steel Tubes Limited, Ritco Logistics Limited and Artedz Fabs Limited were listed on April 3, 2018, April 12, 2018, April 12, 2018, April 12, 2018, April 26, 2018, May 11, 2018, May 11, 2018, May 24, 2018, June 4, 2018, June 4, 2018, June 5, 2018, June 6, 2018, June 20, 2018, June 21, 2018, June 22, 2018, July 11, 2018, August 02, 2018, October 04, 2018, October 05, 2018, October 11, 2018, December 04, 2018, December 31, 2018, February 06, 2019 February 07, 2019 and March 29, 2019 respectively.

***The script of Par Drugs and Chemicals Limited and Suich Industries Limited were listed on May 16, 2019 and June 13, 2019 respectively.

\$ The scripts of Artedz Fabs Limited has not completed 180 Days from the date of its listing.

\$\$ The script of Par Drugs and Chemicals Limited and Suich Industries Limited have not completed 180 Days and 180 Days respectively from the date of listing.

As on 30th trading day the closing price of the script Ganga Forging Limited was at par with the issue price. Hence it is not considered for counting the numbers of IPOs trading at discount and premium.

***Note:** Ambition Mica Limited is a Further Public Offering lead managed by Pantomath Capital Advisors Private Limited in the Financial Year 2017-18 and the same has not been included in the absssove mentioned Summary Statement of Disclosure as the disclosure is limited to IPOs only.*