RED HERRING PROSPECTUS
Dated April 28, 2011
Please read Section 60B of the Companies Act, 1956
100% Book Building Issue

AANJANEYA LIFECARE LIMITED

Our Company was originally incorporated as "Anjaneya Biotech Private Limited" on January 03, 2006 under the Companies Act, 1956 *vide* Certificate of Incorporation bearing CIN U24230MH2006PTC158589 issued by the Registrar of Companies, Maharashtra, Mumbai. The name of our Company was changed to "Aanjaneya Biotech Private Limited" *vide* fresh Certificate of Incorporation dated March 08, 2007. Our Company was converted into a public limited company *vide* fresh Certificate of Incorporation dated April 12, 2010 and subsequently the name of our Company was changed to "Aanjaneya Biotech Limited". The name of our Company was then changed to 'Aanjaneya Lifecare Limited' *vide* fresh Certificate of Incorporation dated June 19, 2010. Our Company has been allocated CIN U24230MH2006PLC158589. For further details of incorporation, changes of name and changes in Registered Office of our Company, please refer chapter titled *"History and Other Corporate Matters"* beginning on page 147 of the Red Herring Prospectus.

Registered Office: Aanjaneya House, Plot 34, Postal Colony, Chembur, Mumbai – 400 071, Maharashtra, India. **Tel.:** +9122 2526 4500; **Fax:** +9122 2522 3521;
Contact Person: Mr. Sumant Khedekar, Company Secretary and Compliance Officer
Website: www.aanlife.com; **E-mail**: ipo@aanlife.com

PROMOTERS OF OUR COMPANY

AASDA LIFE CARE LIMITED (FORMERLY KNOWN AS FINAVENTURE CAPITAL LIMITED) AND DR. KANNAN K. VISHWANATH

PUBLIC ISSUE OF 50,00,000 EQUITY SHARES OF ₹ 10 EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING ₹ [●] LACS ("THE ISSUE") BY AANJANEYA LIFECARE LIMITED ("OUR COMPANY", OR "THE ISSUER"). THE ISSUE WILL CONSTITUTE 39.76 % OF THE FULLY DILUTED POST ISSUE PAID-UP 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 THE COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND ADVERTISED AT LEAST TWO (2) WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE.

In case of revision in the Price Band, the Bidding/Issue Period shall be extended for atleast three additional working days after such revision, subject to the Bidding/Issue Period not exceeding ten working days. Any revision in the Price Band, and the revised Bidding/Issue Period, if applicable, shall be widely disseminated by notification to the Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Limited (NSE), whose online IPO system will be available for bidding, by issuing a press release and by indicating the change on the websites of the Book Running Lead Managers (BRLMs) and the terminals of the member(s) of the Syndicate.

The Issue is being made through a 100% Book Building Process wherein not more than 50% of the Issue shall be available for allocation to Qualified Institutional Buyers on a proportionate basis. 5% of the QIB Portion (excluding the Anchor Investors Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for Allotment on a proportionate basis to QIBs and Mutual Funds, subject to valid bids being received from them at or above the Issue Price. Upto 30% of the QIB Portion shall be available for allocation to Anchor Investors and one-third of the Anchor Investor Portion shall be available for allocation to domestic Mutual Funds. Further, not less than 15% of the Issue would be available for allocation to Non-Institutional Bidders and not less than 35% of the Issue would be available for allocation to Retail Individual Bidders on a proportionate basis, subject to valid bids being received from them at or above the Issue Price.

RISKS IN RELATION TO THE FIRST ISSUE

This being the first issue of our Company, there has been no formal market for the securities of our Company. The face value of the Equity Shares is ₹ 10/- and the Floor Price is [●] times of the face value and the Cap Price is [●] times of the face value. The Issue Price (as determined and justified by our Company and the Book Running Lead Managers ("BRLMs") as stated under the chapter titled *"Basis for Issue Price"* beginning on page 101 of the Red Herring Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of our Company nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the Issue including the risk involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (SEBI) nor does the SEBI guarantee the accuracy or adequacy of this Red Herring Prospectus. Specific attention of the investors is invited to the section titled *"Risk Factors"* beginning on page 14 of the Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable enquiries, accepts responsibility for, and confirms that the 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 the 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 document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

IPO GRADING

The Issue has been graded by Fitch Ratings India Private Limited and CRISIL Limited and has been assigned the following grades i.e. "FITCH IPO Grade 2/5" indicating below - average fundamentals; and "CRISIL IPO Grade 1/5" indicating poor fundamentals; respectively. For more information on IPO Grading, please refer to the chapter titled "*General Information*" beginning on page 47 of the Red Herring Prospectus.

LISTING

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on Bombay Stock Exchange Limited (BSE) and on The National Stock Exchange of India Limited (NSE). In-principle approvals have been received from BSE and NSE for the listing of the Equity Shares *vide* their letters dated October 28, 2010 and December 24, 2010 respectively. For the purpose of the Issue, BSE shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE ISSUE
ANANDRATHI	IDBI capital	LINK INTIME INDIA PVT LTD (Formerly INTIME SPECTRUM REGISTRY LTD.)
Anand Rathi Advisors Limited 11th Floor, Times Tower, Kamala Mills, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, Maharashtra, India **Tel**: +91 22 4047 7000, **Fax**: +91 22 4047 7070 **Website**: www.rathi.com **Email**: aanjaneya.ipo@rathi.com **Investor Grievance Id**: grievance.ecm@rathi.com **Contact Person**: Mr. Ankoor Choudharri / Ms. Varshaa P Kamra **SEBI Registration No.**: INM000010478	**IDBI Capital Market Services Limited** 5th Floor, Mafatlal Centre, Nariman Point, Mumbai - 400 021, Maharashtra, India **Tel**: +91 22 4322 1212, **Fax**: +91 22 2283 8782 **Website**: www.idbicapital.com **Email:** aanjaneya.ipo@idbicapital.com **Investor Grievance Id**: redressal@idbicapital.com **Contact Person**: Mr. Keyur Desai / Mr. Rishi Tiwari **SEBI Registration No**.: INM000010866	**Link Intime India Private Limited** C- 13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400 078, Maharashtra, India **Tel**: +91 22 2596 0320, **Fax**: +91 22 2596 0329 **Website**: www.linkintime.co.in **Email**: all.ipo@linkintime.co.in **Investor Grievance Id**: all.ipo@linkintime.co.in **Contact Person**: Mr. Sachin Achar **SEBI Registration No.**: INR000004058

BID/ISSUE PROGRAMME	
BID/ISSUE OPENS ON*: May 09, 2011	**BID/ISSUE CLOSES ON: May 12, 2011**

** Our Company may consider participation by Anchor Investors. The Anchor Investor Bid Issue/ Period shall be one Working Day prior to the Bid/ Issue Opening date.*

TABLE OF CONTENTS

SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise requires, the terms and abbreviations stated hereunder shall have the meanings as assigned therewith.

Term	Description
“Aanjaneya Lifecare Limited” or “Aanjaneya” or “the Company” or “our Company” or “the Issuer” or “we” or “us” or “Issuer Company”	Unless the context otherwise requires, refers to Aanjaneya Lifecare Limited, a public limited company incorporated under the Companies Act, 1956.
Promoter(s)	The Promoters of our Company, namely, Aasda Life Care Limited* (Formerly Finaventure Capital Limited) (Corporate Promoter) and Dr. Kannan K. Vishwanath (Individual Promoter).
Promoter Group	Companies, individuals and entities (other than companies) as defined under Regulation 2 sub-regulation (zb) of the SEBI ICDR Regulations.
Holding Company	The Holding Company of our Company is Aasda Life Care Limited (Formerly Finaventure Capital Limited).
Group Company	Companies, firms and ventures promoted by our Promoters, irrespective of whether such entities are covered under Section 370(1)(B) of the Companies Act and disclosed in chapter titled “*Our Promoter Group*” beginning on page 189of the Red Herring Prospectus.

** The Board of Directors of Aasda Life Care Limited (formerly Finaventure Capital Limited) have in their meeting dated March 18, 2011 resolved to change the name from Aasda Life Care Limited to Finaventure Capital Limited and consequently change its objects, subject to the approval of the central government and its shareholders for which a notice of postal ballot dated March 31, 2011 has already been dispatched to the shareholders. The result of the postal ballot shall be announced by the chairman of Aasda Life Care Limited (formerly Finaventure Capital Limited) on May 05, 2011.*

Conventional / General Terms

Term	Description
Articles/Articles of Association	Articles of Association of our Company.
Auditor	The statutory auditor of our Company, being Sunil Mistry & Co., Chartered Accountant.
Board of Directors / Board	The Board of Directors of our Company or a committee constituted thereof.
Companies Act / Act	The Companies Act, 1956, as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository	A body corporate registered under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time.
Depository Participant	A depository participant as defined under the Depositories Act.
Director(s)	Director(s) of Aanjaneya Lifecare Limited unless otherwise specified.
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under.
FII / Foreign Institutional Investor	Foreign Institutional Investor (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under the applicable laws in India.
Financial Year / Fiscal / Fiscal Year / FY	Period of twelve months ended March 31 of that particular year, unless specifically stated otherwise.
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
GoI / Government	The Government of India.
I.T. Act / IT Act	The Income Tax Act, 1961, as amended from time to time.
I.T. Rules	Income Tax Rules, 1962, as amended from time to time.

Term	Description
Indian GAAP	Generally Accepted Accounting Principles in India.
Memorandum / Memorandum of Association / MoA	The Memorandum of Association of our Company, unless the context otherwise specifies.
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time.
Registered Office	The Registered Office of our Company being Aanjaneya House, Plot 34, Postal Colony, Chembur, Mumbai – 400 071, Maharashtra, India.
RoC / Registrar of Companies	Registrar of Companies, Maharashtra having its address at 100, Everest Building, Marine Drive, Mumbai - 400 002, Maharashtra, India
SCRA	Securities Contracts (Regulation) Act, 1956, read with rules and regulations thereunder and amendments thereto, as amended from time to time.
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992, read with rules and regulations thereunder and amendments thereto and as amended from time to time.
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997, as amended from time to time.
SEBI ICDR Regulations / SEBI ICDR Regulations 2009 / ICDR Regulations	The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the circulars as specified in Clause 5 of SEBI/CFD/DIL/ICDRR/1/2009/03/09 dated September 03, 2009, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI Rules and Regulations	SEBI ICDR Regulations, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by SEBI from time to time.
VCFs / Venture Capital Fund	Venture Capital Fund(s) as defined in and registered with SEBI under the SEBI (Venture Capital Funds) Regulations, 1996.
VCF Regulations	Securities Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended from time to time.

Issue Related Terms

Term	Description
Allot / Allotted / Allotment / Allotment of Equity Shares	Unless the context otherwise requires, the allotment of Equity Shares pursuant to the Issue to successful Bidders.
Allocation / Allocation of Equity Shares	Unless the context otherwise requires, the allocation of Equity Shares pursuant to the Issue to successful Bidders.
Allottee	The successful Bidder to whom the Equity Shares are being/ have been Allotted.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion, who has Bid for an amount of at least ₹ 1,000 lacs.
Anchor Investor Bidding Date/ Anchor Investor Bid/Issue Period	The date one day prior to the Bid/Issue Opening Date.
Anchor Investor Portion	Not more than 7,50,000 Equity Shares representing upto 30% (which includes one third reserved for domestic Mutual Funds) of the QIB Portion, available for allocation to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations.
Anchor Investor Price / Anchor Investor Issue Price	The price at which Allotment is made to Anchor Investors in terms of the Red Herring Prospectus / Prospectus, which shall be higher than or equal to the Issue Price, but not higher than the Cap Price and as determined by our Company in consultation with the BRLMs.

Term	Description
Application Supported by Blocked Amount /ASBA	Application Supported by Blocked Amount (whether physical or electronic) used by a Bidder to make a Bid authorising the SCSB to block the Bid Amount in their specified bank account maintained with SCSB.
ARAL	Anand Rathi Advisors Limited
ASBA Account	Account maintained by an ASBA Bidder with a SCSB which shall be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder, as specified in the ASBA Bid cum Application Form.
ASBA Bid cum Application Form / ASBA Form	The Bid cum Application Form (including any revision thereof), whether physical or electronic, used by the ASBA Investors in terms of which the ASBA Bidder shall make an offer to subscribe to the Equity Shares of our Company and which will be considered as the application for Allotment in terms of the Red Herring Prospectus and Prospectus.
ASBA Investor(s) / ASBA Bidder(s)	An investor who intends to apply through ASBA process in the Issue; is applying through blocking of funds in a bank account with the SCSB.
ASBA Public Issue Account	A bank account of our Company under Section 73 of the Companies Act, being the same as the Public Issue Account, where the funds shall be transferred by the SCSBs from the ASBA Account.
Bankers to our Company	Bankers to our Company, being State Bank of India, The Shamrao Vithal Co-Operative Bank Limited, Corporation Bank Limited, IDBI Bank Limited and Allahabad Bank.
Basis of Allotment / Basis of Allocation	The basis on which the Equity Shares will be allotted / allocated.
Bid(s)	An indication to make an offer during the Bidding/Issue Period by a prospective investor to subscribe to Equity Shares at a price within the Price Band, including all revisions and modifications thereto. For the purposes of ASBA Bidders, it means an indication to make an offer during the Bidding Period by any Bidder pursuant to the submission of an ASBA Bid cum Application Form to subscribe to the Equity Shares, including all revisions and modifications thereto.
Bid(s) Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder on submission of the Bid in the Issue. In case of ASBA Bidders the highest value of the optional Bids indicated in the ASBA Bid cum Application Form.
Bid / Issue Closing Date	Except in relation to Anchor Investors, the date after which the members of the Syndicate / SCSBs will not accept any Bids for the Issue, which shall be notified in an English national newspaper, Hindi national newspaper and a regional language newspaper with wide circulation, including any revisions thereof.
Bid / Issue Opening Date	Except in relation to Anchor Investors, the date on which the members of the Syndicate / SCSBs shall start accepting Bids for the Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional language newspaper with wide circulation.
Bid cum Application Form / Bid-cum-Application Form	The form in terms of which the Bidder shall make an offer to subscribe to the Equity Shares of our Company which will be considered as the application for Allotment in the terms of the Red Herring Prospectus and Prospectus. Unless the context otherwise requires in the Red Herring Prospectus, the Bid Cum Application Form includes ASBA Bid Cum Application Form.
Bidder(s)	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid-cum-Application Form or the ASBA Bid cum Application Form.
Bidding Period or Bidding/ Issue Period or Issue/ Bidding Period or Bid / Issue Period.	The period between the Bid / Issue Opening Date and the Bid / Issue Closing Date, inclusive of both days, during which prospective Bidders, other than Anchor Investors can submit their Bids, including any revisions thereof and unless the context otherwise refers and as maybe applicable, with respect to Anchor Investors shall mean the Anchor Investor Bidding Date.

Term	Description
Book Building Process	Book building mechanism as provided under Schedule XI of the SEBI ICDR Regulations, in terms of which the Issue is made.
BRLMs / Book Running Lead Managers	Book Running Lead Managers to the Issue, in this case being Anand Rathi Advisors Limited and IDBI Capital Market Services Limited.
BSE	Bombay Stock Exchange Limited.
CAN / Confirmation of Allocation Note	Except in relation to the Anchor Investors, the note or advice or intimation of allocation of Equity Shares sent to the Bidders who have been allocated Equity Shares after discovery of the Issue Price in accordance with the Book Building Process. Unless the context otherwise refers it also includes revised CAN(s) In relation to Anchor Investors, the note or advice or intimation sent to the successful Anchor Investors who have been allocated Equity Shares after discovery of the Anchor Investor Price, including any revisions thereof.
Cap Price	The higher end of the Price Band, above which the Issue Price will not be finalised and above which no Bids will be accepted.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate Bids under the 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.
Cut-off Price / Cut-off	The Issue Price finalised by our Company in consultation with the BRLMs. A Bid submitted at the Cut-off Price by a Retail Individual Bidder who has Bid for Equity Shares for an amount less than or equal to ₹ 2,00,000 and is a valid Bid at all price levels within the Price Band.
Depositories	NSDL and CDSL
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form from the ASBA Bidders and a list of which is available on http://www.sebi.gov.in.
Designated Date	The date on which funds are transferred from the Escrow Account to the Public Issue Account and the amount blocked by the SCSBs are transferred from the bank account of the ASBA Investors to the Public Issue Account, as the case may be, after the Prospectus is filed with the Registrar of Companies following which the Board of Directors shall allot Equity Shares to successful Bidders.
Designated Stock Exchange	Bombay Stock Exchange Limited
Draft Red Herring Prospectus / DRHP	The Draft Red Herring Prospectus dated September 13, 2010 and issued in accordance with Section 60B of the Companies Act and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 which does not have complete particulars on the price at which the Equity Shares are offered and size of the Issue, which is filed with SEBI and Stock Exchanges. It will become a Red Herring Prospectus issued in accordance with the provisions of Section 60B of the Companies Act after filing with the RoC at least three days before the Bid / Issue Opening Date. It will become a Prospectus after filing with the RoC after the Pricing Date.
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Equity Shares	Equity shares of our Company having a face value of ₹ 10 each fully paid up unless otherwise specified in the context thereof.
Escrow Account(s)	Account opened with Escrow Collection Bank(s) and in whose favour the Bidder (excluding ASBA Bidders) will issue cheques or drafts or electronic transfer in respect of the Bid Amount.
Escrow Agreement	Agreement to be entered into among our Company, the Registrar to the Issue, the Escrow Collection Bank(s), the Refund Bank(s) and the BRLMs in relation to the collection of the Bid Amounts and dispatch of the refunds (if any) of the amounts collected, to the Bidders (except ASBA Investor).
Escrow Collection Bank(s) / Banker(s) to the Issue	The banks, which are clearing members and registered with SEBI as banker to an issue at which the Escrow Account for the Issue will be opened, for the Issue being IndusInd

Term	Description
	Bank Limited. Axis Bank Limited and IDBI Bank Limited.
First Bidder	The Bidder whose name appears first in the Bid-cum-Application Form or Revision Form or ASBA Bid cum Application Form.
Floor Price	The lower end of the Price Band, below which the Issue Price will not be finalised and below which no Bids will be accepted.
IDBI Caps	IDBI Capital Market Services Limited
IPO Grading Agencies / Grading Agencies	Fitch Ratings India Private Limited ("Fitch") and CRISIL Limited ("Crisil"), the grading agencies appointed by our Company for grading the Issue.
Issue / Issue Size / Net Issue	Public Issue of 50,00,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share aggregating to ₹ [●] lacs.
Issue Price	The final price at which Equity Shares will be issued and Allotted in terms of the Prospectus, as determined by our Company in consultation with the BRLMs, on the Pricing Date.
Issue Proceeds	The proceeds of the Issue that will be available to our Company being upto ₹ [●] lacs
Listing Agreement	The Company's equity Listing Agreement to be entered into with the Stock Exchange(s).
Mutual Fund Portion	That portion of the Issue, being 5% of the Net QIB Portion or upto 1,25,000 Equity Shares available for allocation on a proportionate basis to Mutual Funds only, out of the QIB Portion.
Mutual Funds	Mutual Funds registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Proceeds	Issue proceeds, after deducting the underwriting and issue management fees, selling commissions and other expenses associated with the Issue.
Net QIB Portion	QIB Portion excluding the Anchor Investor Portion.
Non-Institutional Bidders	All Bidders (including sub – accounts which are foreign corporates or foreign individuals) that are not Qualified Institutional Buyers or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹ 2,00,000.
Non-Institutional Portion	Consists of 7,50,000 Equity Shares aggregating ₹ [●] lacs, being not less than 15% of the Net Issue, available for Allocation to Non Institutional Bidders on a proportionate basis, subject to receipt of valid Bids at or above the Issue Price.
NR / Non-Resident	A "person resident outside India", as defined under FEMA including eligible NRIs and FIIs.
NRI(s) / Non-Resident Indian	A "person resident outside India", as defined under FEMA and who is a citizen of India or is a person of Indian origin (as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended).
OCB(s) / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 03, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not permitted to invest in the Issue.
Pay-in-Date	Except with respect to ASBA Bidders, the Bid / Issue Closing Date or the last date specified in the CAN sent to Bidders, as applicable and which shall with respect to Anchor Investors, shall be a date not later than two days after the Bid / Issue Closing Date.
Pay-in-Period	Means: With respect to Bidders except Anchor Investors, the period commencing on the Bid / Issue Opening Date and extending until the Bid / Issue Closing Date, and With respect to Anchor Investors, commencing on the Anchor Investor Bidding Date and extending till the last date specified in the CAN, which shall not be later than two

Term	Description
	days after the Bid/Issue Closing Date.
Payment through electronic transfer of funds	Payment through ECS / NECS, Direct Credit, RTGS or NEFT, as applicable.
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	The Price Band of a minimum price of ₹ [●] (Floor Price) and the maximum price of ₹ [●] (Cap Price) and include revisions thereof. The Price Band and the minimum bid lot size for the Issue will be decided by the Company in consultation with the BRLMs and advertised, two Working Days prior to the Bid / Issue Opening Date, in one English national newspaper, one Hindi national newspaper and a regional language newspaper with wide circulation.
Pricing Date	The date on which our Company in consultation with the BRLMs finalises the Issue Price.
Prospectus	The Prospectus, to be filed with the RoC in accordance with the provisions of the Companies Act and SEBI ICDR Regulations, containing, inter alia, the Issue Price that is determined at the end of the Book Building Process on the pricing date, the size of the Issue and certain other information.
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the Escrow Account and the SCSBs from the bank accounts of the ASBA Bidders on the Designated Date.
QIB Portion	The portion of the Issue, being not more than 25,00,000 Equity Shares of ₹ 10 each aggregating to ₹ [●] lacs, being not more than 50% of the Issue, available for Allocation to QIBs, including the Anchor Investor Portion on a proportionate basis, subject to valid bids being received at or above the Issue Price. 5% of the Net QIB Portion i.e. 1,25,000 Equity Shares (to be adjusted for Anchor Investor Portion, if applicable) shall be available for Allocation on a proportionate basis to Mutual Funds only.
Qualified Institutional Buyers / QIB(s)	A Mutual Fund, Venture Capital Fund and Foreign Venture Capital Investor registered with SEBI; a Foreign Institutional Investor and sub-account (other than a sub-account which is foreign corporate or foreign individual), registered with SEBI; a public financial institution as defined in Section 4A of the Companies Act, 1956; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority (IRDA); provident funds with minimum corpus of ₹ 2,500 lacs; and pension funds with minimum corpus of ₹ 2,500 lacs; National Investment Fund set up by resolution no. F. No. 2/3/2005- DDII dated November 23, 2005 of the Government of India published in the Gazette of India, Insurance funds set up and managed by army, navy or air force of the Union of India and Insurance funds set up and managed by the Department of Posts, India, eligible to Bid in the Issue.
Refund Account(s)	No-lien account maintained by the Refund Bank(s) to which the surplus money shall be transferred on the Designated Date and from which refunds of the whole or part of the Bid Amount (excluding the ASBA Bidders), if any, shall be made.
Refund Bank(s) / Refund Banker(s)	The bank(s) which have been appointed / designated for the purpose of refunding the amount to investors either through the electronic mode as prescribed by SEBI and / or physical mode in accordance with the procedure contained in the chapter titled "*Issue Procedure*" beginning on page 293 of the Red Herring Prospectus, in this case being IDBI Bank Limited.
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Link Intime India Private Limited, having its office at C-13, Pannalal Silk Mills Compound, LBS Road, Bhandup (West), Mumbai 400 078, Maharashtra India.
Resident Retail Individual	A Retail Individual Bidder who is a "person resident in India" (as defined in FEMA).

Term	Description
Bidder / Resident Retail Individual Investor	
Retail Individual Bidders	Individual Bidders (including HUFs, minors) who have Bid for Equity Shares for an amount less than or equal to ₹ 2,00,000/- in any of the bidding options in the Issue (including HUF applying through their Karta or minor applying through their natural guardian and Eligible NRIs and does not include NRIs other than Eligible NRIs).
Retail Portion	Consists of 17,50,000 Equity Shares, aggregating to ₹ [●] lacs, being not less than 35% of the Net Issue, available for Allocation to Retail Individual Bidder(s) on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Revision Form	The form used by the Bidders to modify the number of Equity Shares or the Bid Price in any of their Bid-cum-Application Forms or any previous Revision Form(s).
Red Herring Prospectus / RHP	The Red Herring Prospectus issued in accordance with Section 60B of the Companies Act, which does not have complete particulars on the price at which the Equity Shares are offered and the size of the Issue. The Red Herring Prospectus will be filed with the RoC at least three (3) days before the Bid/Issue Opening Date and will become a Prospectus upon filing with the RoC the copy that includes the details of pricing and Allocation and final size of the Issue.
Self Certified Syndicate Banks / SCSBs	Shall mean a Banker to an issue registered under SEBI (Bankers to an Issue) Regulations, 1994 and which offers the service of making an Applications Supported by Blocked Amount and recognized as such by the SEBI from time to time.
SCSB Agreement	The deemed agreement between the SCSBs, the BRLMs, the Registrar to the Issue, our Company, in relation to the collection of Bids from the ASBA Bidders and payment of funds by the SCSBs to the ASBA Public Issue Account.
Stock Exchanges	BSE and NSE
Syndicate / Members of the Syndicate	The BRLMs and the Syndicate Members.
Syndicate Agreement	The agreement to be entered into among our Company and the members of the Syndicate, in relation to the collection of Bids in the Issue
Syndicate Members	An intermediary registered with the SEBI to act as a syndicate member and who is permitted to carry on the activity as an underwriter, in this case being Anand Rathi Advisors Limited and IDBI Capital Market Services Limited.
TRS / Transaction Registration Slip	The slip or document issued by the Syndicate Members to the Bidders and by SCSBs to ASBA Investors as proof of registration of the Bid.
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America.
Underwriters	The BRLMs and the Syndicate Members.
Underwriting Agreement	The Agreement to be entered into among our Company and the Underwriters on or after the Pricing Date.
Working Day(s) / Business Day(s)	Any day (other than a Saturday or a Sunday and a public holiday) on which the SEBI, the Stock Exchanges or the commercial banks in Delhi and / or Mumbai, India, are open for business.

Industry / Company related terms

Term	Description
ACTs	Artemisinin Combination Therapies
APIs	Active Pharmaceutical Ingredients
BSI	British Standards Institution
CAGR	Compound Annual Growth Rate
CHW-TSDF	Common Hazardous Waste Treatment Storage Disposal facility
CIA	Central Intelligence Agency
CIS	Commonwealth of Independent States
DMF	Drug Master File

Term	Description
DPRP	Drugs and Pharmaceuticals Research Programme
EDQM	European Directorate for the Quality of Medicines & HealthCare
FDA	Food and Drugs Administration
FDF(s)	Finished Dosages Form(s)
GLC	Gas Liquid Chromatography
cGMP	Current Good Manufacturing Practices
HDPE	High-Density Polyethylene
HPLC	High Performance Liquid Chromatography
HPTLC	High Pressure Thin Layer Chromatography
IMS	Intercontinental Marketing Services
ISO	International Organization for Standardization
ITN	Insecticide-Treated Mosquito Nets
LDPE	Low-Density Polyethylene
LoF 2008 / Letter of Offer 2008	Letter of Offer dated November 07, 2008 made by Finaventure Advisory Services (India) Private Limited (FASPL) in FY 2008-09 for the acquisition of the shares of Indusvista Ventures Limited (IVL)
LoF 2009 / Letter of Offer 2009	Letter of Offer dated November 03, 2009 made by Dr. Kannan K. Vishwanath in FY 2009-2010 for the acquisition of the shares of Finaventure Capital Limited (FCL)
MCC (South Africa)	Medicines Control Council
MNC	Multi National Corporation
NMITLI	New Millennium Indian Technology Leadership Initiative
OPPI	Organisation of Pharmaceuticals Producers of India
R&D	Research and Development
TB	Tuberculosis
TGA (Australia)	Therapeutic Goods Administration
UKMHRA	United Kingdom Medicines and Healthcare products Regulatory Agency
USFDA/FDA	U.S. Food and Drug Association
WHO	World Health Organization

Abbreviations

Abbreviation	Full Form
A/c	Account
AGM	Annual General Meeting
ALL	Aanjaneya Lifecare Limited
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY/A.Y.	Assessment Year
Bn/bn	Billion
BOD	Board of Directors
CB	Controlling Branch
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identity Number
CST Act	Central Sales Tax Act 1956
CWIP	Capital Work in Progress
DB	Designated Branch
Dept.	Department
DIN	Director Identification Number
DP ID	Depository Participant's Identification Number
DP	Depository Participant

Abbreviation	Full Form
DSE	Delhi Stock Exchange
EBITDA	Earnings before Interest, Tax, Depreciation, Amortisation and extraordinary items
ECS	Electronic Clearing System
EEFC	Exchange Earners Foreign Currency
EGM	Extra Ordinary General Meeting
EOU	Export Oriented Unit
EPCG	Export Promotion Capital Goods Scheme
EPS	Earnings per share
ESOP	Employee Stock Option Plan
ESOS	Employee Stock Option Scheme
EU	European Union
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIPB	Foreign Investment Promotion Board
FY	Financial Year
GDP	Gross Domestic Product
GoI/ Government	Government of India
HUF	Hindu Undivided Family
IEC	Importer Exporter Code
ICAI	Institute of Chartered Accountants of India
IPO	Initial Public Offer
IT	Information Technology
Kg/Kgs.	Kilogram(s)
LTD	Limited
MICR	Magnetic Ink Character Recognition
MIDC	Maharashtra Industrial Development Corporation
Mn / mn	Million / million / millions
MoA	Memorandum of Association
MoU	Memorandum of Understanding
MVAT Act	Maharashtra Valur Added Tax Act, 2002
NA	Not Applicable
NAV	Net Asset Value
NECS	National Electronic Clearing System
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
NR	Non-Resident
NRE Account	Non Resident External Account
NRI	Non-Resident Indian
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
NTA	Net Tangible Assets
p.a.	Per annum
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
P/E Ratio	Price/Earnings Ratio
Pvt./(P)	Private
QA	Quality Assurance
QC	Quality Control
QS	Quality Standard

Abbreviation	Full Form
Qty	Quantity
RBI	The Reserve Bank of India
RoNW	Return on Net Worth
₹ / Rs. / Rupees / INR	Indian Rupees, the currency of the Republic of India
RTGS	Real Time Gross Settlement
SBI	State Bank of India
SCRA	The Securities Contracts (Regulation) Act, 1956, as amended from time to time.
SCRR	The Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SCSB	Self Certified Syndicate Bank
SEBI	Securities and Exchange Board of India
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time.
Sq. Mts.	Square Meters
Sq. Ft. / sq ft / SFT	Square Feet
STC	Service Tax Code
SVC / SVC Bank	The Shamrao Vithal Co-operative Bank Limited
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
TRS	Transaction Registration Slip
UIN / Unique Identification Number	Unique Identification Number issued in terms of SEBI (Central Database of Market Participants) Regulations, 2003, as amended from time to time.
UoI	Union of India
UPSE	Uttar Pradesh Stock Exchange
USA/US	United States of America
USD/U.S.$/US Dollar	United States Dollars, currency of the United States of America.
UV	Ultra Violet
VAT	Value Added Tax

Notwithstanding the foregoing,

a. In the section titled "*Description of Equity Shares and Terms of the Articles of Association of our Company*" beginning on page 324 of the Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;

b. In the section titled "*Financial Statements*" beginning on page 192 of the Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;

c. In the paragraphs titled "*Disclaimer Clause of the Bombay Stock Exchange Limited*" and "*Disclaimer Clause of the National Stock Exchange of India Limited*" beginning on page 278 of the Red Herring Prospectus, defined terms shall have the meaning given to such terms in those paragraphs.

USE OF FINANCIAL INFORMATION AND USE OF MARKET DATA AND CURRENCY AND UNIT OF PRESENTATION

Financial Data

Unless stated otherwise, the financial information used in the Red Herring Prospectus is derived from our Company's restated financial statements as of and for the Financial Years ended March 31, 2007, 2008, 2009, 2010 and for the ten months period ended January 31, 2011 prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with SEBI ICDR Regulations, as stated in the report of our Auditor, Sunil Mistry & Co., in the section titled *"Financial Statements"* beginning on page 192 of the Red Herring Prospectus.

Our Fiscal Year commences on April 01 and ends on March 31 of a particular year. Unless stated otherwise, references herein to a Fiscal Year (e.g., Fiscal 2010), are to Fiscal Year ended March 31 of that particular year.

Currency of Presentation

In the Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word "Lakhs / Lacs" means "one hundred thousand" and "Crore" means "one hundred Lacs". All references to "US$"; "U.S. Dollar", USD or "US Dollars" are to United States Dollars, the official currency of the United States of America. Further, any discrepancies in any table between the total and the sum of the amounts are due to rounding-off. Throughout the Red Herring Prospectus, currency figures have been expressed in "Lacs" except those, which have been reproduced/ extracted from sources as specified at the respective places.

Market and Industry Data

Unless stated otherwise, industry data used throughout the Red Herring Prospectus has been obtained from industry publications and publicly available government documents. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Similarly while information contained in the publicly available government documents that is relied upon for the purposes of the Red Herring Prospectus is believed to be complete and reliable, there can be no assurance of the same. Accordingly, no investment decisions should be made based on such information. The extent to which the market and industry data used in the Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.

FORWARD LOOKING STATEMENTS

All statements contained in the Red Herring Prospectus that are not statements of historical fact constitute "forward-looking statements". All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in the Red Herring Prospectus regarding matters that are not historical facts. These forward looking statements and any other projections contained in the Red Herring Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "will", "will continue", "will pursue" or other words or phrases of similar import. 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 statement.

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

- Disruptions in our manufacturing facilities
- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Significant changes in the exchange rate
- Changes in laws and regulations relating to the industry in which we operate;
- Increased competition in the pharmaceutical industry;
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various projects and business plans including those for which funds are being raised through the Issue;
- Competition from existing players;
- Fluctuations in operating costs;
- Dependence on few quinine based APIs;
- Any adverse incident, including natural disaster, outbreak of any pandemic;
- Our ability to maintain and expand our existing API and formulation business;
- Our ability to enter into new therapeutic segments and setting up new brands;
- Integration of our Company with the targets we intend to acquire from the net proceeds of the Issue;
- Government Approvals;
- Potential mergers, acquisitions or restructurings;
- Our ability to attract and retain qualified personnel;
- The performance of the financial markets in India and globally; and
- Any adverse outcome in the legal proceedings in which we are involved.

For a further discussion of factors that could cause our actual results to differ, refer section titled *"Risk Factors"* beginning on page 14 of the Red Herring Prospectus, and chapters titled *"Business Overview"* and *"Management's Discussion and Analysis of Financial Condition and Results of Operations as Reflected In The Financial Statements"* beginning on pages 121 and 227 respectively of the Red Herring Prospectus respectively.

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company nor the Book Running Lead Managers, nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the BRLMs will ensure that investors in India are informed of material developments until the time of grant of listing and trading permissions by the Stock Exchanges.

SECTION II - RISK FACTORS

An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in the Red Herring Prospectus, including the risks described below, before making an investment in our Equity Shares. To obtain a better understanding, you should read this section in conjunction with the chapters titled *"Business Overview"* and *"Management's Discussion and Analysis of Financial Condition and Results of Operations as Reflected In The Financial Statements"* beginning on page 121 and 227 of the Red Herring Prospectus. If any of the following risks actually occur, our business, results of operations and financial condition could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company.

The risks set out in the Red Herring Prospectus may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future. Further, some events may have a material impact from a qualitative perspective rather than a quantitative perspective and may be material collectively rather than individually. This Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. Our Company's actual results could differ materially from those anticipated in such forward-looking statements as a result of certain factors, including the considerations described below and in the chapter titled *"Forward Looking Statements"* beginning on page 12 of the Red Herring Prospectus.

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

Materiality

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

1. Some risks may not be material individually but may be material when considered collectively.
2. Some risks may have an impact which is qualitative though not quantitative.
3. Some risks may not be material at present but may have a material impact in the future.

INTERNAL RISKS

1. ***We are party to certain legal proceedings that, if decided against us, could have an adverse effect on our business prospectus and results of operations***

   Our Company is involved in certain legal proceedings and claims in relation to certain matters incidental to our business and operations. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. Any adverse decision may affect the business of our Company and results of operations. A classification of these legal and other proceedings instituted by and against our Company is given in the following table:

   Cases filed against our Company:

Type of legal proceeding	Total number of pending cases / show cause notices / summons	Financial Implications (to the extent quantifiable) (₹in lacs*)
Trademark	3	1.00
Potential		
1. Income Tax	1	Not Quantifiable
2. Labour	1	14.68

*The amount involved is the amount expressly claimed, being the liability and financial impact which may be incurred if it/they are unsuccessful in legal proceedings. However, it does not include those penalties, interests and costs, if any, which may be imposed which may have been pleaded but not quantified in the course of legal proceedings, or which the Court/Tribunal otherwise has the discretion to impose. The imposition and amount of such penalties/interest/costs are at the discretion of the Court/Tribunal where the case is pending. Such liability, if any, would crystallize only on the order of the Court / Tribunal where the case is pending.

For further details on outstanding litigation, please refer to chapter titled "*Outstanding Litigation, Material Developments and Other Disclosures*" beginning on page 252 of the Red Herring Prospectus.

2. ***Our Company has delayed in complying with reporting requirements such as registration of special resolutions, filing of form for appointment / resignation of directors, filing of annual returns etc,as required under the Companies Act to the RoC. Such delay/non compliance in the future may render us liable statutory penalties***

   Our Company has delayed in complying with reporting requirements such as registration of special resolutions, filing of form for appointment / resignation of directors, filing of annual returns etc, as required under the Companies Act to the RoC. Such delay/non compliance in the future may render us liable statutory penalties. For further details of such delay/non compliance, please refer to the paragragh titled '*Delay / Non Compliances with Regulatory Authorities*' beginning on page 254 under the chapter titled '*Outstanding Litigation, Material Development and Other Disclosures*' in the Red Herring Prospectus.

3. ***Our Company did not comply with Section 383(A) of the Companies Act, 1956 regarding the appointment of whole time company secretary for the FY 08 and FY 09. Such non-compliances may result into penalties or other action on our Company by the statutory authorities.***

   The paid up capital of our Company reached ₹ 200 lacs on February 29, 2008 pursuant to which our Company was required to comply with Section 383(A) of the Companies Act, 1956 in as much as appointing a whole-time secretary. Our Company did not comply with Section 383(A) of the Companies Act, 1956 regarding the appointment of wholetime company secretary for the year ended March 31, 2008 and March 31, 2009. However, our Company has then appointed Mr. Sushant S. Gawade on March 18, 2010 who resigned on January 31, 2011 and in whose place Mr. Sumant A. Khedekar has been appointed since then. For details of delay/non compliance by our Company, please refer to the paragragh titled '*Delay / Non Compliances with Regulatory Authorities*' beginning on page 254 under the chapter titled '*Outstanding Litigation, Material Development and Other Disclosures*' in the Red Herring Prospectus.

4. ***Our Corporate Promoter and Group Company, Aasda Life Care Limited, applied for delisting with UPSE and DSE and has delayed in complying with the reporting requirements under the listing agreement such as submission of the shareholding pattern and submission of corporate governance report, under clause 35 and clause 49 of the listing agreement respectively, etc. Such delay may render us liable to prosecution and/or penalties***

   Our Corporate Promoter and group Company, Aasda Life Care Limited applied for delisting with UPSE and DSE and has delayed in complying with reporting requirements under the listing agreement such as submission of the shareholding pattern and submission of corporate governance report, under clause 35 and clause 49 of the listing agreement respectively, etc. Such delay may render us liable to prosecution and/or penalties.

   Aasda Life Care Limited vide its letters dated July 08, 2009 addressed to UPSE and DSE expressed its intention to delist from UPSE and DSE respectively. Subsequently the UPSE vide its letter dated March 31, 2011 addressed to our Corporate Promoter has delisted the securities of our Corporate Promoter from UPSE. Aasda Life Care Limited is in the process of completing the formalities for delisting its securities from the DSE. For further details of delay in compliance with the stock exchanges, please refer to the paragragh titled *'Delay / Non Compliances with Regulatory Authorities'* beginning on page 254 under the chapter titled *'Outstanding Litigation, Material Development and Other Disclosures'* in the Red Herring Prospectus.

5. ***Our Corporate Promoter, Aasda Life Care Limited did not comply with Section 383(A) of the Companies Act, 1956 regarding the appointment of whole time company secretary. Such non-compliances may result into penalties or other action on our Corporate Promoter, Aasda Life Care Limited by the statutory authorities.***

Our Corporate Promoter, Aasda Life Care Limited was required to comply with Section 383(A) of the Companies Act, 1956 in as much as appointing a whole-time secretary. Our Corporate Promoter, Aasda Life Care Limited has not in the past complied with Section 383(A) of the Companies Act, 1956 regarding the appointment of wholetime company secretary. However, Aasda Life Care Limited has since August 01, 2010 appointed Ms. Smita Tambe as the Company Secretary. Such non-compliances may result into penalties or other action on Aasda Life Care Limited by the statutory authorities. For details of delay/non compliance by our Corporate Promoter, please refer to the paragragh titled '*Delay / Non Compliances with Regulatory Authorities*' beginning on page 254 under the chapter titled '*Outstanding Litigation, Material Development and Other Disclosures*' in the Red Herring Prospectus.

6. ***Our Corporate Promoter and Group Company, Aasda Life Care Limited, has incurred losses for the FY 2009. Sustained financial losses by our Corporate Promoter may not be perceived positively by external parties such as customers, bankers, suppliers etc, which may affect our credibility and business operations.***

Our corporate Promoter and group company, Aasda Life Care Limited, has incurred losses of ₹ 22.93 lacs for the FY 2009. Such financial losses by our Corporate Promoter may not be perceived positively by external parties such as customers, bankers, suppliers etc, which may affect our credibility and business operations.

7. ***We occupy the premises of our Promoter, Dr. Kannan K. Vishwananth, wherein our Registered Office is located on leave and license basis and any termination of this agreement and/or non renewal could adversely affect our operations. Discontinuation/termination of leave and licence agreement may require us to vacate such premises which may have an adverse impact on our business continuity and profitability. Further the leave and license agreement entered into by our Company is yet to be registered.***

We do not own the premises where our Registered Office is located. We have acquired the premises pursuant to a leave and license agreement, which is valid for a period of 33 months from July 01, 2010 upto January 31, 2013. The license fee payable under this agreement is ₹ 1,00,000 per month. Our Company has paid a sum of ₹ 7,72,100 (including 10.3% Service Tax) to Dr. Kannan K. Vishwanath as and by way of licensee fee towards the use and occupation of the premises for the period July 01, 2010 to January 31, 2011.If this agreement is terminated by the licensor or we are required to vacate the premises, we may have to identify other premises to relocate our Registered Office, which could disrupt our business operations. This leave and license agreement is not registered. Any adverse impact on the title/ownership rights of the licensor, from whose premises we operate our registered office, may impede our Company's operations. Further, we cannot assure that we will be able to obtain alternate premises on terms favourable to us, which may also adversely affect our financial condition.

8. ***Our Company and Aasda Life Care Limited - our Corporate Promoter, operate from a common Registered Office, which could give rise to future conflicts***

As on the date of the Red Herring Prospectus, our Company, Aasda Life Care Limited; our Corporate Promoter, operate from a common Registered Office, located at Aanjaneya House, Plot 34, Postal Colony, Chembur , Mumbai – 400 071, Maharashtra, India. Further, the term/ tenure of both the Leave and License Agreement between Dr. Kannan K. Vishwanath as the "Licensor" and our Company and the Corporate Promoter as the "Licensee" respectively is 33 months from July 01, 2010 to January 31, 2013. The license fee payable under the both these agreement is ₹ 1,00,000 per month. Our Company has paid a sum of ₹ 7, 72, 100 (including 10.3% Service Tax) to Dr. Kannan K. Vishwanath as and by way of licensee fee towards the use and occupation of the premises for the period July 01, 2010 to January 31, 2011. Our Company uses this office as its registered office for conducting its day to day business affairs. As on date, since the premises are being predominantly occupied by our Company, our Company is incurring all miscellaneous expenses concerning the use of amenities in this premise. However, there is no inter-se agreement between the companies with regards to sharing of expenses or bifurcation of office space, which could give rise to future conflicts.Also there is no other company other than our Company and the Corporate Promoter which presently operates from this premise.

9. ***Our Corporate Promoter has objects similar to that of our Company's business and this could lead to potential conflict of interest between us and our Corporate Promoter.***

The main object of our Corporate Promoter, Aasda Life Care Limited, which was amended pursuant to the members' resolution dated February 28, 2010, enables it to engage in, the same line of business as our Company. This could create conflict of interest between us and our Corporate Promoter. However, our Company pursuant to a non-compete agreement dated March 21, 2011 entered into with our Corporate Promoter, whereby our Corporate Promoter has agreed not to compete with our Company to extent of dealing in certain products for a period of three years within the territory of India. For further details pertaining to the non-compete agreement, please refer to the chapter titled *'History and Other Corporate Matters'* beginning on page 147 of the Red Herring Prospectus.

Further, the Board of Directors of our Corporate Promoter have now proposed to change the name of our Corporate Promoter and its main objects whereby it is proposed to remove the object of processing, converting, producing manufacturing pharmaceutical products, underlying pharmaceutical activities as its main object. For further details on change of name and main objects of our Corporate Promoter, please refer to the chapter titled "*Our Promoters and Their Background*" beginning on page 176 of the Red Herring Prospectus.

10. ***CRISIL Limited has assigned an IPO grade of 1/5 to our Issue. 1/5 (pronounced as "one on five") indicates that the fundamentals of the Issue are poor relative to other listed equity securities in India.***

This Issue has been graded by two SEBI registered credit rating agencies i.e. Fitch Ratings India Private Limited and CRISIL Limited, and has been assigned the following IPO grading:

Fitch Ratings has assigned an IPO grade of 2/5 to our Issue. 2/5 (pronounced as "two on five") indicates that the fundamentals of the Issue are below-average to other listed equity securities in India.

CRISIL Limited has assigned an IPO grade of 1/5 to our Issue. 1/5 (pronounced as "one on five") indicates that the fundamentals of the Issue are poor relative to other listed equity securities in India. The grading reflects our Company's limited corporate governance practices. Also, the grading rationale observes that any future transaction similar to the transaction by which Aasda Life Care Limited became our Corporate Promoter, may have an implication on the minority shareholders of our Company.

For further details on the IPO grading reports, please refer to the chapter titled *'General Information'* beginning on page 47 of the Red herring Prospectus and the grading reports annexed to the Red Herring Prospectus as Appendix A and Appendix B.

11. ***Trading of the securities of our corporate promoter, Aasda Life Care Limited has been suspended by the Delhi Stock Exchange.***

Our Corporate Promoter, Aasda Life Care Limited has applied for delisting with DSE vide its letter dated July 08, 2009. By a letter dated December 1, 2010 the DSE informed our Corporate Promoter, Aasda Life Care Limited that trading in its securities in DSE was suspended. In the event such suspension is not withdrawn no trading in the securities of our Corporate Promoter in the DSE will be permitted thereby adversely affecting our goodwill amongst investors and shareholders. Further, such suspension may give rise to proceedings against our Corporate Promoter, Aasda Life Care Limited.

12. ***We do not currently have long term contracts or exclusive supply arrangements with any of our vendors, though we are dependent on two suppliers that constituted 63.81% of our total purchases for the ten months period ended January 31, 2011. Any major disruption to the timely and adequate supplies of our raw materials could adversely affect our business, results of operations and financial condition.***

Our Company is dependent on a few suppliers for raw materials and we do not currently have long term contracts or exclusive supply arrangements with any of our vendors. In Fiscal year 2008, 2009, 2010 and for the ten months period ended January 31, 2011, our top two suppliers supplied to us 88.16%, 86.32%, 90.04% and 63.81% of our total purchase of raw materials respectively. The details are as under:

For the year ended	Name of Supplier	As a % of total raw materials purchased
Fiscal 2008	Benzochem Lifesciences Private Limited	52.66%
	Shree Ganesh Enterprises	35.50%
	Total	88.16%
Fiscal 2009	Odyssey Chemicals	57.08%
	Hercules Chemicals	29.24%
	Total	86.32%
Fiscal 2010	Odyssey Chemicals	48.54%
	Epsilon Products	41.50%
	Total	90.04%
For the ten months period ended January 31, 2011	Unichem Healthcare	34.59%
	Venertia Healthfit Co.	29.22%
	Total	63.81%

Our Company, Promoters, Promoter Group and Directors are not related to the above mentioned suppliers in any manner other than in the normal course of business.

Further, we are dependent on adequate and timely deliveries of necessary raw materials or equipment. In the event of a delay, inadequacy or default in deliveries by any of our vendors, we may not be able to obtain substitutes on an adequate and timely basis or on commercially acceptable terms. A major disruption to the timely and adequate supplies of our raw materials could adversely affect our business, results of operations and financial condition.

13. ***Our Company has availed credit facility from Allahabad Bank and IDBI Bank, as a result of which certain covenants of the Working Capital Consortium Agreement dated July 16, 2010 may have been contravened.***

Our Company entered into a Working Capital Consortium Agreement ("Principal Working Capital Consortium Agreement") and inter creditor agreement dated July 26, 2010, with State Bank of India and The Shamrao Vithal Co-operative Bank Limited whereby we were sanctioned working capital facility and term loan facility of ₹ 11,507 lacs. Subsequently, by a First Supplemental Working Capital Consortium Agreement dated September 13, 2010 and a Second Supplemental Working Capital Consortium Agreement dated November 22, 2010, the Principal Working Capital Consortium Agreement was modified to induct Corporation Bank Limited and IDBI Bank Limited as members of the Consortium. Thereafter our Company availed credit facility from Allahabad Bank without obtaining consent of the banks in the consortium and on such other terms and condition which may have resulted in the contravention of the Working Capital Consortium Agreement. However, our Company by its letter dated April 2, 2011 has informed all the members of the consortium about the availing of credit facility from Allahabad Bank by enclosing a copy of the sanction letter dated March 17, 2011 of Allahabad Bank. Further, though IDBI Bank is a member of the consortium, a separate set of loan Agreement and other finance documents have been executed with IDBI Bank for such term loan which already forms part of the consortium. This may be construed as a separate loan obtained in breach of the Working Capital Consortium Agreement.

For further information kindly refer to the chapter titled '*Financial Indebtedness*' beginning on page 240 in this Red Herring Prospectus.

14. ***Our Company proposes to venture into manufacturing of new therapeutic segments such as anti cancer APIs, and niche APIs including narcotic APIs and its intermediates. These are new segments for us and we do not have any firm commitments / orders for the products to be manufactured. In the absence of any firm commitments from customers there can be no assurance that we will be successful in selling the new production.***

Our Company is proposing to enter new therapeutic segments within API and Formulation business in the pharmaceutical value chain by setting up a unit for manufacturing of anti cancer APIs, niche APIs including narcotic

APIs and its intermediates as stated in chapter titled the "*Objects of the Issue*" beginning on page 72 of the Red Herring Prospectus. Being a new entrant in these business segments, we may be unable to commission and operate the proposed plant in a commercially successful manner. We cannot guarantee that we will be able to target customers across the proposed segments. In the absence of any firm commitments from customers there can be no assurance that we will be successful in selling the new production. Moreover, we may face stiff competition from established and/or new players in acquiring a requisite market share as we do not have any guaranteed customers for the proposed line of business. This may result in lower capacity utilization and adversely affect the operations, growth and financial results of our Company. Further, we would not be able to compute the market share of our Company's competitors since there is no reliable source / report which carries data on market share of major competitors of Aanjaneya Lifecare Limited, who are in the same segment in which Aanjaneya Lifecare Limited operates i.e. manufacturing of anti malarial API's and/ or finished dosage forms.

15. ***Some of the regulatory approvals for the proposed expansion are yet to be applied and any delay or non-receipt of such approvals may delay the proposed expansion plans and we may also be unable to market our proposed products due to similar external factors thereby affecting the growth and financial condition of our Company.***

    The pharmaceutical industry is highly regulated and furthermore, the success of our strategy of entering into semi regulated markets/regulated markets for the proposed products are dependent on a number of factors beyond our control. As on date of filing the Red Herring Prospectus, we have not applied for some of the licenses in relation to the Objects of the Issue. We cannot assure that we would be able to apply for these licenses/approvals/permissions in a timely manner or at all, or that we would be granted such licenses/approvals/permissions in a timely manner. Such grant may also be subject to restrictions and/or permissions which may not be acceptable to us, or which may prejudicially affect our operations, and would have a material adverse effect on our business, results of operations and financial condition. For further details pertaining to the licenses / approvals / permissions for the Objects of the Issue, please refer to the paragraph titled "*For Objects of the Issue*" on page 272 under the chapter titled '*Government and other Statutory Approvals*' beginning on page 259 of the Red Herring Prospectus.

16. ***The Objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. The deployment of funds in the project is entirely at our discretion and as per the details mentioned in the chapter titled "Objects of the Issue". Any revision in the estimates may require us to reschedule our Project expenditure and may have a bearing on our expected revenues and earnings.***

    The funding requirements as mentioned in the chapter titled "*Objects of the Issue*" beginning on page 72 of the Red Herring Prospectus, have not been appraised by any bank or financial institution and are based on the estimation of our management and the quotations we have received from various suppliers, which may vary depending upon factors like increase in prices due to which the cost of project may be adversely affected. Further, the deployment of the funds towards the Objects of the Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by an external independent agency. However, the deployment of funds is subject to monitoring by our audit committee. Any revision in the estimates may require us to reschedule our project expenditure and may have a bearing on our expected revenues and earnings which may have an adverse effect on the financial condition of our Company.

17. ***We have not identified any alternate source of financing the 'Objects of the Issue'. If we fail to mobilize resources as per our plans, our growth plans may be affected.***

    We have not identified any alternate source of funding and hence any failure or delay on our part to raise money from the Issue or any shortfall in the Issue Proceeds may delay the implementation schedule of our Project and could adversely affect our growth plans.

    For further details please refer to the chapter titled "*Objects of the Issue*" beginning on page 72 of the Red Herring Prospectus.

18. ***We have not placed orders for all the plant and machineries to be acquired pursuant to the expansion proposed in the Objects of the Issue. Any delay in placing the orders/ or supply of equipments may result in time and cost overruns, and may affect our profitability.***

We have estimated the requirement of plant, equipment and machinery based on quotations or internal estimates based on prevailing market prices of manufacturers/ suppliers of equipment. However, as on date of filing the Red Herring Prospectus with SEBI, we have not placed orders aggregating to ₹ 3,036.86 lacs required by our Company which constitutes 85.09 % of the total value of plant and/or machinery to be financed from the Net Proceeds of the Issue. We cannot assure that we would be able to acquire the plant and machinery required, or acquire them at the prices as quoted/estimated in the Red Herring Prospectus. Any delay in acquisition of the plant and/or machinery required to be acquired could lead to time and cost overruns, and may have a material adverse effect on our business, results of operations and financial condition.

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

Our plan for expansion and diversification as referred to in the chapter titled "*Objects of the Issue*" beginning on page 72 of the Red Herring Prospectus contains project costs and implementation schedules. We intend to utilize the Net Proceeds of the Issue to manufacture anti cancer APIs, niche APIs and its intermediates, etc. for which we intend to construct buildings, acquire machineries etc. Our expansion plans are subject to a number of contingencies, including changes in laws and regulations, government action, delays in obtaining approvals, delays in getting requisite land, inability to obtain machinery and other supplies at quoted or at acceptable terms, accidents, natural calamities, terrorist activity and other factors, many of which may be beyond our control. We, therefore, cannot assure you that the costs incurred or time taken for implementation of these plans will not vary from our estimated parameters. This may lead to time and cost overruns, and may have a material adverse effect on our business, results of operations and financial condition.

20. ***Our Company has two manufacturing plants located in Maharashtra and our new projects will be located in our existing facility at Mahad. Any delay in production at, or shutdown of, these facilities may in turn adversely affect our business, financial condition and results of operations.***

Our Company has two manufacturing facilities which are located in Maharashtra. Further, our Company plans to set up more blocks namely, a block for anti cancer APIs, a block for narcotic and niche APIs etc. If our Company experiences delays in production or shutdowns at any or all of these facilities 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.

21. ***Our Company has negative cash flows in the past years, details of which are given below. Sustained negative cash flow could impact our growth and business.***

(₹In lacs)

Particulars	**For the year ended March 31,**				**For ten months ended January 31, 2011**
	2007	**2008**	**2009**	**2010**	
Cash flow from operating Activities	13.11	(234.01)	(2,193.47)	48.20	(3,927.78)
Cash flow from investing Activities	(67.10)	(1,069.95)	(297.76)	(3,880.37)	(5,421.82)

Cash flow of a company is a key indicator to show the extent of cash generated from operations of our Company 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, it may adversely affect our business and financial operations. For further details please refer to the section titled "*Financial Statements*" and chapter titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations as reflected in the Financial Statements*" beginning on pages 192 and 227 of the Red Herring Prospectus respectively.

22. ***Certain Government/Statutory Approvals/Certifications/Licenses may have expired or renewal/fresh applications for the same are pending before the concerned authorities.***

While our Company has endeavoured to obtain or apply for all applicable governmental, statutory and regulatory permits, licenses and approvals, including renewals thereof, to operate its business, certain governmental or statutory approvals and/or licenses may have expired or applications for the same (or renewals thereof) are still pending before the concerned authorities.

As on date our Company has made following applications addressed to the concerned authorities, which are still pending:

Sr. No.	Date of Application	Addressed to	Particulars
1.	August 16, 2010	Profession Tax Registration Department, Navi Mumbai	To add additional business address, Aanjaneya Lifecare Limited, Gut no. 123 Pirangut taluka-Mulshi, district Pune – 412 108, Maharashtra, India.
2.	March 09, 2011	Food and Drug Administration, Maharashtra State, Pune	To manufacture the products namely - Super -1 Lozenges, Naturommune Lozenges, Relacs Lozenges and Livchek Lozenges under the Licence number PD/AYU/68 dated December 19, 2009.

We cannot assure that we would be granted the above mentioned licenses in a timely manner.

In future, our Company will be required to renew such permits, licenses and approvals, and obtain new permits, licenses and approvals in order to carry on current business operations and for any proposed new operations. While we believe that we will be able to renew or obtain such permits, licenses and approvals as and when required, there can be no assurance that the relevant authorities will issue or renew any of such permits, licenses or approvals in the time-frame anticipated by it or at all. Such non-issuance or non-renewal may result in the interruption of our business operations and may have a material adverse effect on our project completion schedule, results of operations and financial conditions. For further details pertaining to the licenses / approvals / permissions, please refer to the chapter titled '*Government and Other Statutory Approvals*' beginning on page 259 of the Red Herring Prospectus.

23. ***Various trademarks pertaining to our products are not registered and it may lead to the dilution of our trademarks and limits our ability to defend our trade marks in infringement or passing off proceedings. Further, our Company has not registered certain documents with the concerned authorities for acquiring intellectual property which may not bestow the title to such trademarks and patents upon our Company, thus affecting our rights related to such intellectual properties.***

We have filed various trademark applications pertaining to our products under various classes under the Trade Marks Act, 1999 and these applications are currently pending. There can be no assurance that our trade mark applications will be accepted and the trade marks will be registered. Further, our applications for the registration of certain trade marks may be opposed by third parties, and we may have to incur significant cost in relation to these oppositions. In the event we are not able to obtain registrations or if any injunctive or other adverse order is issued against us in respect of any of our trademarks for which we have applied for registration, we may not be able to avail the legal protection and legal remedies (in case of infringement) or prohibit un-authorised use of such mark by third parties by means of statutory protection, available as a proprietor of registered trade marks.

Further, our Company has not registered the Deed of Assignment dated April 01, 2010 entered into with Prophyla Biologicals (P) Limited for acquiring Trade Marks and all rights under the trademark applications, mentioned thereunder. Our Company has however submitted this Deed for adjudication, which is pending with the concerned authorities, thereby causing delay in registration of this Deed. Further, our Company has not registered the Deed of Assignment dated June 09, 2010 entered into with Mr. Kashi Vishwanathan and Dr. Kannan K. Vishwanath with the concerned authorities for transferring all the rights in respect of the patent applications acquired thereunder. However, our Company is in the process of registering this Deed with the concerned authorities. This may not bestow the title to such trademarks and patents upon our Company and affect our rights related to such intellectual properties. Pursuant to the assignment, the trademarks/patents assigned to our Company by the above mentioned persons are not being used by any other entity (including promoter/promoter group/directors etc). For further information please refer to chapter titled "*Business Overview*" and chapter titled "*History and Other Corporate Matters*"beginning on page 121 and 147 of the Red Herring Prospectus.

Further, Mr. Kashi Viswhanathan and Dr. Kannan K. Vishwanath have related party transactions with our Company. For further information on related party transaction, please refer "*Annexure 17*" "*Details of Related Party Transactions*" beginning on page 221 under chapter titled "*Auditors' Report and Financial Information of Our Company*" beginning on page 192 of the Red Herring Prospectus.

24. ***Our Company has not applied for manufacture of certain products. We cannot assure that we would be able to apply for these approvals in a timely manner or at all, or that we would be granted such approvals in a timely manner.***

As on date of filing the Red Herring Prospectus, we have not applied for approval to manufacture of certain products proposed to be manufactured, for further details please refer to the chapter titled '*Government and Other Statutary Approvals*' beginning on page 259 of the Red Herring Prospectus. We cannot assure that we would be able to apply for these approvals in a timely manner or at all, or that we would be granted such approvals in a timely manner. Such grant may also be subject to restrictions and/or permissions which may not be acceptable to us, or which may prejudicially affect our operations, and would have a material adverse effect on our business, results of operations and financial condition.

25. ***At the time of entering into the asset purchase agreement for acquisition of land of Prophyla Biologicals (P) Limited, our Promoter and Managing Director; Dr. Kannan K. Vishwanath was a Director in Prophyla Biologicals (P) Limited and may be interested to the extent of being a director on that board. Further, our Company may in the future enter into such agreements / transactions with companies where our directors may be interested to the extent of being directors on the board of such companies.***

Our Company has acquired land bearing Gut No. 123 (old Gut No. 120), Gut no. 122 and 97, Village and Taluka-Mulshi, Pirangut Panchayat, situated at Pune, Maharashtra from Prophyla Biologicals (P) Limited pursuant to an asset purchase agreement dated March 30, 2010 entered into by and between Our Company and Prophyla Biologicals (P) Ltd, and a letter dated October 22, 2010 issued by Prophyla Biologicals (P) Limited to our Company. The consideration for Assets acquired under the Asset Purchase Agreement is as follows:

a) The Plant / Factory Building and land: ₹ 15,13,23,698.00
b) Plant and Machinery: ₹ 12, 28, 96, 089.00
c) Vat@12.5% ₹ 1,53, 62, 011.00

Before acquiring the assets, our Company has relied on its own internal management estimates and technical valuation to acquire the assets of Prophyla Biologicals Private Limited. However, pursuant to the acquisition, for the purpose of assessing the fair market value inorder to avail bank credit facilities from State Bank of India**,** these assets have been evaluated by independent valuer namely A.V. Shetty and Associates, who has submitted the valuation reports dated June 14, 2010 and July 03, 2010 where the valuation of the Land and the main factory building along with other ancillary structures was estimated at ₹ 16,33,00,000.00 and the fair market valuation of plant and machinery was estimated at ₹ 12,57,00,000.00.

Further, our Promoter and Managing Director; Dr. Kannan K. Vishwanath was also a Director in Prophyla Biologicals (P) Limited at the time of entering into this Asset Purchase Agreement dated March 30, 2010.

26. ***Our Company may have to assume the liability in case there is any litigation and/or potential litigation and/or penalties imposed, etc. in respect of the assets acquired from Prophyla Biologicals (P) Limited. If any liability with respect to the assets arises it may have a material and adverse impact on the financial condition of our Company.***

Pursuant to the Asset Purchase Agreement dated March 30, 2010, our Company took over/ acquired certain assets of Prophyla Biologicals (P) Limited. Our Company may have to assume the liability in case there is any litigation and/or potential litigation and/or penalties imposed, etc. in respect of the assets acquired. Further, as on the date of the Asset

Purchase Agreement till date, our Company is not aware of any liability / contingent liability arising out of the assets acquired from Prophyla Biologicals (P) Limited. If any liability with respect to the assets acquired arises it may have a material and adverse impact on the financial condition of our Company.

27. ***The change in name of our Corporate Promoter, from Finaventure Capital Limited to Aasda Life Care Limited, is yet to be changed by BSE on its record as our Corporate Promoter does not derive 50% revenue from the new activities suggested in its new name.***

In order to diversify the existing business activities of our Corporate Promoter to life care industry and its related products, the name of our Corporate Promoter was changed from Finaventure Capital Limited to Aasda Life Care Limited on March 31, 2010. Our Corporate Promoter, Aasda Life Care Limited, *vide* letter dated April 7, 2010 has applied for change in name to BSE. However *vide* letter dated April 19, 2010 BSE expressed its inability to incorporate such change in its records as our Corporate Promoter, Aasda Life Care Limited does not meet the criteria as set out in clause 32 of the Listing Agreement viz:

- At least 50% of the total revenue in the preceding one year period should have been accounted for by the new activity suggested by the new name.
- A time period of at least 1 year should have elapsed from the last name change.

Further, BSE vide its email dated June 10, 2010 requested Aasda Life Care Limited to furnish certain papers as per the checklist attached with the email. Aasda Life Care Limited vide its letter dated September 6, 2010 has once again requested BSE to consider the application for change in name. Further, Aasda Life Care Limited *vide* its reply letter dated September 07, 2010 submitted the papers as sought in the email dated June 10, 2010. Since the change of name of Aasda Life Care Limited is yet to be approved by BSE, the shares of our company are traded in the name of Finaventure Capital Limited.

During the pendency of this application for change in name, in order to avoid confusion in the mind of the investors, the Board of Directors of our Corporate Promoter in their meeting dated March 18, 2011 have now proposed to change the name of our Corporate Promoter back to Finaventure Capital Limited and consequently have proposed to amend the main objects subject to shareholder's approval. For further details please refer to the chapter titled "*Our Promoters and their Background*" beginning on page No. 176 of the Red Herring Prospectus.

28. ***Our Corporate Promoter has changed its name and its main objects on several occasions in the last five years from Aridhi Hi-Tech Industries Limited to Indusvista Ventures Limited, from Indusvista Ventures Limited to Finaventure Capital Limited and from Finaventure Capital Limited to Aasda Life Care Limited. Though the present name of our Corporate Promoter suggests that our Corporate Promoter is engaged in the lifecare business and our Corporate Promoter thereafter obtained registrations under the MVAT and CST Act, Drugs and Cosmetics Act, 1940 and the rules thereunder and Bombay Shops and Establishments Act, 1948, till date our Corporate Promoter has not earned any revenue and profits from the lifecare business neither has it commenced lifecare business activities.***

Our Corporate Promoter since last five years has changed its name at several occasions, which resulted in changes in its business activities and its revenue and profits. Following are the details of the revenue and profits on a standalone basis, of our Corporate Promoter for the last five financial years:

(₹ In Lacs)

Financial Year Ended	Total Income	Profit / (Loss) after tax	Nature of Activity as disclosed in the annual reports	Details of change in name
2006	18.73	9.84	The income was derived mainly from stock market investments and to some extent from publishing	In FY 2006, the name of our Corporate promoter was Aridhi Hi-Tech Industries Limited
2007	57.49	45.55	The income was derived mainly from stock market investments and to some extent from publishing	In FY 2007, the name of our Corporate promoter was Aridhi Hi-Tech Industries Limited

2008	137.94	91.64	The income was derived mainly from investments, including sale of unlisted equity shares of a subsidiary company. Income from sale of books and dealing in paintings was negligible.	On June 05, 2007, our Corporate Promoter's name was changed from Aridhi Hi-Tech Industries Limited to Indusvista Ventures Limited.
2009	6.34	(22.93)	The income was derived mainly from sale of books and art exhibition services.	In FY 2009, the name of our Corporate promoter was Indusvista Ventures Limited.
2010	75.00	46.53	The income was derived mainly from sale of investments.	On May 06, 2009, our Corporate Promoter's name was changed from Indusvista Ventures Limited to Finaventure Capital Limited Also, on March 31, 2010, our Corporate Promoter's name was changed from Finaventure Capital Limited to Aasda Life Care Limited.

On March 31, 2010, our Corporate Promoter FCL, as suggested by the new name, Aasda Life Care Limited, amended the main objects to carry on pharmaceutical activities. The objects of FCL were changed towards proposed activity in order to diversify its existing business activities into lifecare industry and its related products. Also, in order to initiate the process towards the lifecare business, our Corporate Promoter obtained registrations under the MVAT and CST Act, Drugs and Cosmetics Act, 1940 and the rules thereunder and Bombay Shops and Establishments Act, 1948. Even though our Corporate Promoter initiated steps to carry on the lifecare business, it did not commence any business in the lifecare care industry including any activity in which our Company is engaged like manufacturing and marketing of APIs (Active Pharmaceutical Ingredients) with focus on anti-malarial, and Finished Dosage Forms (FDFs).

However, as the change of name of our Corporate Promoter from FCL to Aasda Life Care Limited is yet to be accepted by the BSE and in order to avoid confusion in the mind of investors, the Board of Directors of our Corporate Promoter in their meeting dated March 18, 2011 have now proposed to change the name of our Corporate Promoter back to Finaventure Capital Limited and consequently have proposed to amend the main objects subject to shareholder's approval.

29. ***Delay in raising funds from the IPO could adversely impact the implementation schedule and affect our ability to execute the expansion project within the given time frame, thus impeding our growth plans and profitability***

The expansion of our proposed project is to be funded from the proceeds of the IPO and internal accruals. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute the expansion project within the given time frame, or within the costs as originally estimated by us. Any time overrun or cost overrun may adversely affect our growth plans and profitability.

30. ***There are some restrictive covenants in the loan agreement executed by our consortium of bankers i.e. State Bank of India, Corporation Bank and The Shamrao Vithal Co-operative Bank Limited and IDBI Bank Limited, Allahabad Bank and other lenders for sanctioning working capital facility/ term loans to the Company***

There are certain restrictive covenants in the loan agreements executed by the State Bank of India, Corporation Bank and The Shamrao Vithal Co-operative Bank Limited, IDBI Bank Limited and Allahabad Bank sanctioning working capital and/or term loan facility to our Company. These covenants refers to prior approval of the banks to be obtained in respect of matters relating to effecting of any change in the capital structure of our Company, formulating any scheme of amalgamation or reconstruction, undertaking any new project, expansion or acquiring of fixed assets, investing by way of share capital of other corporate bodies, lending or advancing funds to or place deposits with any other concern, entering into borrowing arrangement either secured or unsecured with any other bank, financial institution, company or otherwise, undertaking any guarantee obligation on behalf of any other company, declare dividend etc., Our Company cannot undertake the aforementioned activities without the prior approval of the above mentioned banks. For further information please refer to chapter titled, '*Financial Indebtedness*' beginning on page 240 of the Red Herring Prospectus.

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

As on January 31, 2011 our Company has unsecured loans amounting to ₹ 663.37 lacs from our Directors, shareholders and others, which is repayable on demand, of which ₹ 402.12 lacs is outstanding from Dr. Kannan K Vishwanath (our Promoter Director). Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows.

For further details of these unsecured loans, please refer *'Annexure 9'* '*Statement of Unsecured Loans*' on page 211 under the chapter *'Auditors' Report and Financial Information of Our Company'* of the Red Herring Prospectus.

32. ***Our Company has entered into a lease agreement with Maharashtra Industrial Development Corporation (MIDC) for land situated at Additional MIDC, Mahad, Maharashtra, on certain terms and conditions. In the event of any breach of the terms and conditions by our Company, MIDC may terminate the lease, by giving a notice thereof and to recover possession of the entire plot leased or part thereof.***

The land on which our Company's Mahad unit has been set up; being plot number K - 4/1 in Additional Mahad Industrial Area, district Raigad is taken on lease for a period of 95 years, from MIDC *vide* a lease deed dated April 09, 2007. The right of our Company to occupy and enjoy the said plot of land is subject to and conditional upon our Company observing all the terms and conditions of the lease deed. In the event of any breach by our Company, MIDC may terminate the lease, by giving a notice thereof and recover possession of the entire plot leased or any part thereof. In which case, our Company would have to shift its plant to a new location which could have a materially adverse effect on the business, growth and financial conditions of our Company. For further details, please refer to the paragraph titled *"Properties"* under the chapter titled "*Business Overview*" beginning on page 121 of the Red Herring Prospectus.

33. ***The capacity of the current plant is not fully utilized and could impair our ability to fully absorb fixed costs.***

The capacity of our plants at Mahad & Pune has not been fully utilized, and there is no assurance that there will be an increase in the capacity utilization in the future. If we are unable to fully utilize our capacity in the future this could affect our cost and profitability and thereby adversely affect the financial condition of our Company.

Unit I – Mahad

Particulars	March 31, 2008*	March 31, 2009	March 31, 2010	Ten months ended January 31, 2011
Installed Capacity (Kgs. in '000)	200	360	450	450
Total Production (Kgs. in '000)	46	165	274	291
Capacity Utilisation (%)	23	45.83	60.89	64.67

**Started commercial production on September 25, 2007.*

Unit II – Pune

For ten months ended January 31, 2011

Particulars	Unit	Actual Production	Installed Capacity	Capacity Utilisation (%)
Lozenges	No. in Lacs	4,304.67	15,600	27.59
Liquid / Syrup	Ltrs. In thousand	3,094.84	11,600	26.68
Ointment & Gels	Kgs.	1,855.15	6,150	30.17

Note: The Formulation business commenced only from April 1, 2010.

34. ***We may face a risk on account of not meeting our export obligations. Our failure to fulfil these export obligations in full may make us liable to pay duty proportionate to unfulfilled obligation along with the interest.***

We have obtained advance licenses under the Foreign Trade (Development and Regulation) Act, 1992 issued by the Directorate General of Foreign Trade, Mumbai. As per the licensing requirement under the said scheme, we are required to export goods of a definite amount, failing which we will have to make payment to the Government of India equivalent to the duty saved by us along with the interest. As on March 31, 2010 the duty saved thereon is ₹ 253.91 lacs. Incase we fail to fulfil these export obligations in full; we will have to pay duty proportionate to unfulfilled obligation along with the interest. For further details on our export obligations please refer chapter titled "*Business Overview*" beginning on page 121 of the Red Herring Prospectus.

35. ***Our top five customers contribute approximately 52.86% and 84.03% and top 10 customers contribute approximately 78.00% and 94.48% of our revenues for FY 2010 and for the ten months period ended Janury 31, 2011 respectively. Further, our Company has not entered into long term contracts with any of its customers. Any loss of business from one or more of them may adversely affect our revenues and profitability.***

Our top five customers contribute approximately 52.86% and 84.03% and top ten customers contribute approximately 78.00% and 94.48% of our revenues for FY 2010 and for the ten months period ended Janury 31, 2011 respectively. However, the composition and revenue generated from these clients might change as we continue to add new clients in normal course of business. Our Company sells its products based on the purchase orders placed by its customers. The demand for the products manufactured by our Company is dependant on customers' requirements, which further depends on market conditions and competition. We do not have any long term contracts with any of our customers neither in APIs nor in formulations. Any decline in our quality standards, growing competition, change in regulations and any change in the demand for our products by these customers may adversely affect our ability to retain them. We may be unable to correctly project our future demand of our products. Thus, 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.

36. ***Short fall or non – availability of cinchona bark and any escalation in its price could have an impact on the operations and financial condition of our Company.***

The major raw material that is used by our Company in its production of salts of quinine is cinchona bark. For the FY FY 2010 and for the ten months period ended Janury 31, 2011, the consumption of cinchona bark as a percentage to raw materials consumed was 86.97% and 54.81% respectively. Any change in the price and/or supply of cinchona bark from which quinine is sourced could adversely affect our costing and thereby affect our margins. Any shortfall or non availability of the cinchona bark as well as any fluctuations in prices may affect the operations and margins.

37. ***A significant portion of our income till FY 2010 was dependent on sales of salts of quinine. If the sales volume or pricing of such product declines in the future, or if we can no longer sell salts of quinine due to any reason our business, financial condition and results of operations could be materially adversely affected.***

Sales of quinine constituted approximately 94.53% and 59.85% of our gross sales for the financial year ended March 31, 2010 and for the ten months period ended Janury 31, 2011 respectively. As a result of increased competition, pricing pressures or fluctuation in the demand and supply of salts of quinine, our Company's sales and margins from this product may decline in the future. Volatility in price realization and loss of customers may adversely affect our profitability. While one of the aims of our R&D initiatives is to develop cost and time efficiencies, there is no assurance that we will be able to maintain our low cost of operations or will be able to further reduce costs or develop new cost effective processes in the future. If the sales volume or pricing of such product declines in the future, our business, financial condition and results of operations could be materially adversely affected.

38. ***Our success is dependent on our distribution and marketing arrangements, for the sale and distribution of our products and on our relationship with our customers. If any of these arrangements is terminated for any reason, our business, financial condition and results of operations may be adversely affected.***

We have been marketing our products to the domestic market and to certain countries in the semi regulated market. The success of our business relies, in part, on relationships with our customers directly and agencies through who we market our products. Recently our Company has entered into a management agreement with M/s. RX Pharma India for sales management, marketing, logistics and collection of payments from stockists. Termination or breach of this agreement could amount to delay in supply goods and collection of payments, whereby our Company's relationship with the customers or stockists deteriorates and may have an adverse effect on our business, financial condition and results of operations.

39. ***Lack of experience in manufacturing formulations/Finished Dosage Forms could bring about increase in costs, drop in revenues and other operational inefficiencies.***

Since inception our Company has been in the business of manufacturing second generation anti malarial APIs. In FY 2010 with the takeover of the assets of the formulation unit in Pune from Prophyla Biologicals (P) Limited our Company has made a foray in the Finished Dosage Forms/formulations and thus moving up the value chain in the pharmaceutical industry. Our Company does not have much experience in the manufacturing of Finished Dosage Forms such as lozenges, syrups, ointments and gels. Since we are primarily in the manufacture of APIs, we may be unable to increase our customer base and generate adequate sales in the formulation business. Further, we may be unable to run the unit efficiently due to lack of experience that could lead to cost over runs, affect quality of the products thereby affecting our goodwill, costs, revenues and operational efficiency of our Company.

40. ***We have entered into related party transactions in the past and may continue to do so in future. Such transactions or any future transactions with related parties may potentially involve conflict of interest and impose certain liabilities on our Company.***

Our Company has entered into certain related party transactions with the promoters, directors and promoter group. The total amount of related party transactions as on January 31, 2011 aggregated to ₹ 6,602.56 lacs. The aggregate details of the related party transactions are as under:

(₹ in lacs)

Particulars	**For the financial years**				**For ten months ended**
	2006 - 07	**2007 - 08**	**2008 - 09**	**2009 – 10**	**31.01.2011**
Net Sales of Goods to associate	-	673.31	282.34	-	-
Loan taken/ Loan repaid/ Converted to Equity	142.51	334.88	841.65	5,041.28	1,669.74
Equity shares allotted	-	-	-	-	4,860.00
Remuneration to Directors/ Employees	-	-	63.1	77.12	65.1
Rent for Premises	-	-	-	-	7.72
Professional fees Paid	-	5.00	-	-	-

For further information please refer *"Annexure 17" "Details of Related Party Transactions"* under chapter titled *"Auditors' Report and Financial Information of Our Company"* beginning on page 221 of the Red Herring Prospectus. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of our operations.

41. ***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 Promoters Group will collectively own 60.24 % 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, 1956 and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

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

42. ***We have issued Equity Shares in the last twelve months, the price of which may be lower than the Issue Price.***

Our Company has issued 18,00,000 Equity Shares to our Promoter, Dr. Kannan K. Vishwanath in the last twelve months at ₹ 270 per Equity Share a price which may be lesser than the Issue Price. The price at which the Equity Shares have been issued in last twelve months is not indicative of the price at which may be offered in the Issue. For further details of Equity Shares issued, please refer to chapter titled, *'Capital Structure'* beginning on page 58 of the Red Herring Prospectus.

43. ***We are dependent on the success of our research and development and the failure to develop improved products/new drug delivery systems/process improvements could adversely affect our business.***

Our success depends on our ability to improve our existing products, develop new drug delivery systems, process improvements to give time, quality and cost efficiency. We cannot assure you that the investments made in R&D will yield satisfactory results in terms of improved products, or will yield any results at all. The development process for improving our existing products and developing new drug delivery systems is lengthy and costly. Despite investments in this area, our research and development efforts may not result in the discovery or successful development of the products. There can be no assurance that the improved product/new drug delivery system will be commercially successful. Further, if our competitors develop processes that may give them first mover advantage we may be unable to retain our customers, which shall adversely affect our revenues and profitability.

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

Our future results of operations depend, to a significant degree, upon our ability to successfully commercialize additional products in our key therapeutic areas such as anti cancer, niche APIs etc. To develop our product pipeline, we commit substantial efforts, funds and other resources towards research and development. Our planned investments in new blocks and equipment for future expansion could result in higher costs, especially in the event of cost overruns, without a proportionate increase in revenues. If we are unable to develop and manufacture products or if the commercialisation of our products is delayed, our business, financial condition and results of operations may be adversely affected.

45. ***Both our manufacturing facilities are geographically located in the State of Maharashtra. Any social unrest or natural disaster or breakdown of services and utilities in Maharashtra could have material adverse effect on our business and financial condition.***

Both manufacturing units viz. existing and proposed are based in the State of Maharashtra. As a result, any social unrest or natural disaster or breakdown of services and utilities including disruptions in infrastructural facilities such as electricity and water supply to such units, which could require us to incur additional costs or disrupt our operations to the extent that we would be required to find alternative sources of supply of such infrastructural facilities.. Further, continuous addition of manufacturing facilities in Maharashtra without commensurate growth of its infrastructural facilities may put pressure on the existing infrastructure, which may also affect our business.

46. ***Our businesses are subject to a variety of safety, health and environmental laws and various labor, workplace related laws and regulations. Any failure on our part to comply with these applicable laws and regulations could have an adverse effect on our operations and consolidated financial condition.***

Our operations are subject to numerous safety, health and environmental protection laws and various labor, workplace related laws and regulations, which are complex and stringent and may increase our compliance costs. Such regulations may restrict our operations and adversely affect our financial condition, results of operations and cash flows by imposing conditions such as limitations on sitting and constructing new waste disposal, transfer or processing facilities or expanding existing facilities, limitations, regulations or levies on collection and disposal prices, rates and volumes, limitations or bans on disposal or transportation of certain categories of waste. Significant fines and penalties may be imposed for non-compliance with the safety, health and environmental laws and regulations, and some of these laws provide for joint and several strict liability for remediation of releases of hazardous substances, rendering a person liable for environmental damage without regard to negligence or fault on the part of such person.

We are also subject to stringent labor laws. Such laws and regulations may expose us to liability arising out of the conduct of operations or conditions caused by others, or for our own acts including those which were in compliance with all applicable laws at the time such acts were performed. For example, under the Contract Labour (Regulation and Abolition) Act, 1970, as amended, we may be held responsible for any wage payments to be made to contract laborers hired by our sub-contractors in the event of default by such sub-contractors and we may also be required to absorb a portion of such contract laborers as permanent employees under certain circumstances. Penalties for failure to comply with these laws, rules and regulations, many of which may be applied retroactively, may include:

- administrative, civil and criminal penalties;
- revocation of permits;
- corrective action orders; and
- breach of certain existing contracts with clients.

The regulatory framework in India is evolving. Future government policies and changes in laws and regulations in India may adversely affect our business and operations, and restrict our ability to do business in our existing and target markets. The timing and content of any new law or regulation is not in our control and such new law or regulation could have an adverse effect on our business, results of operations and financial condition.

47. ***Any defect in our products, may result in our manufacturing license being withdrawn and we could become liable to customers, suffer adverse publicity and incur substantial costs which in turn could adversely affect the value of our brand, and our sales could diminish if we are associated with negative publicity.***

Any defect in our products could result in withdrawal of our license for manufacturing, storing and selling the products. Further, deficiency in our products could result in a claim against us for damages, regardless of our responsibility for such a failure or defect. However, as on date, our Company has not witnessed any instances of defects in the products manufactured by our Company.We currently carry no products liability insurance with respect to our products. Although we attempt to maintain quality standards, we cannot assure that all our products would be of uniform quality, which in turn could adversely affect the value of our brand, and our sales could diminish.

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

48. ***Our insurance coverage may not adequately protect us against all losses. To the extent that we suffer loss or damage which is not covered by insurance or exceeds our insurance coverage, our results of operations and financial performance could be adversely affected.***

Our Company has obtained insurance coverage in respect of certain risks. Our significant insurance policies consist of, among others, transit policy, special contingency policy for plant, machinery and equipments, fire policy for buildings, furniture and fixtures, workmen's compensation policy. We also have standard fire insurance policy for our plant situated at Mulshi, Pune. In addition, we have obtained separate insurance coverage for motor-vehicle risks. While we believe that the insurance coverage we maintain would reasonably be adequate to cover all normal risks associated with the operation of our business, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, nor that we have taken out sufficient insurance to cover all material losses. Furthermore, there can be no assurance that we will be able to maintain adequate insurance coverage in the future at acceptable costs. Further, we have not obtained insurance cover for some of our contracts that require us to maintain insurance e.g., product liability insurance. To the extent that we suffer loss or damage for which we do not obtain or maintain insurance or exceeds our insurance coverage, the loss would have to be borne by us and our results of operations and financial performance could be adversely affected.

49. ***If we are unable to protect our intellectual property and proprietary information, or if we infringe the intellectual property rights of others, our business, financial condition and results of operations may be adversely affected.***

We own registered trademarks and patents. We may not always be able to safeguard the same from infringement or passing off activity occurring without our knowledge. Further, we may manufacture or sell products that infringe intellectual property rights of others. A third party may claim that we or our customers are using inventions covered by the third party‘s patent rights and may go to court to stop us from engaging in our normal operations and activities, including making or selling our products. There is a risk that a court could decide that we are infringing third party patent rights. This will subject us to potentially highvalue claims for infringement. Initiating or defending claims made by or against our Company diverts the management's time, adversely affects our reputation and the marketability of our products as well as increases our costs. For more information relating to our intellectual property and to legal proceedings relating to it, filed by our Company as well as against our Company, please refer the chapter titled "*Business Overview*" and "*Outstanding Litigations, Material Developments and Other Disclosures*" beginning on pages 121 and 252, respectively, of the Red Herring Prospectus. The consequential liabilities and costs could have a material adverse effect on our business and financial condition of our Company.

50. ***We may not be able to sustain effective implementation of our business and growth strategy, including our expansion plans and the financing of such expansion, which may adversely affect our business and results of operations.***

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. There can be no assurance that we will be able to execute our strategy within the estimated budget, or that we will meet the expectations of targeted customers. Our inability to manage our business and growth strategy may have a material adverse effect on our business, financial condition and results of operations.

Our business strategies include setting up 3 more blocks for (a) anti cancer APIs (b) niche APIs (c) intermediates for niche APIs at our existing manufacturing facility at Mahad. The construction and equipping of new plants and the expansion of existing plants are subject to certain risks that could result in delays or cost overruns, which could require us to expend additional capital and adversely affect our business and operating results. Such potential events include: shortages and late delivery of building materials and facility equipment; delays in the delivery, installation, commissioning and qualification of our manufacturing equipment; seasonal factors, such as a long and intensive wet season that limits construction; labour disputes; design or construction changes with respect to building spaces or equipment layout; delays or failure in securing the necessary governmental approvals, building sites or land use rights; and technological capacity and other changes to our plans for new plants necessitated by changes in market conditions. Delays in the construction and equipping or expansion of any of our plants could result in the loss or delayed receipt of earnings and an increase in financing costs and would adversely affect our business, growth strategy and financial condition of our Company.

51. ***Increase in interest rates may materially impact our results of operations.***

We are exposed to interest rate risk and most of our loans are on floating rate of interest. We cannot assure that the loans taken will remain commercially reasonable to our Company. Any increase in interest expense may have a material adverse effect on our business prospects, financial condition and results of operations.

52. ***Any adverse events in the pharmaceutical industry to which the products of our Company cater to could have a material impact on the performance of our Company.***

The products manufactured by our Company find application in the pharma industry. Any change in demand, product specification or other adverse event pertaining to the industry may material adverse affect on the business and financial performance of our Company.

53. ***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 (API) product segment is intensely competitive. Growing 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, several of our competitors are larger international and national 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 research and development to develop 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.

54. ***We may face difficulties in executing our strategy including our expansion and diversification plans for our manufacturing facilities, and there can be no assurance that our planned capital expenditures will result in growth and / or additional profitability for our Company.***

Our proposed expansion and diversification in operations requires significant capital expenditures. For instance, we propose to set up a block for manufacturing anti cancer APIs at Mahad, Maharashtra expected to be commissioned in April, 2012, and an R&D centre at Mahad, Maharashtra expected to be commissioned in December, 2011. Further, we may make substantial investments in the future for establishing new manufacturing facilities and upgrading our existing manufacturing facilities so that they comply with the standards set by the regulatory authorities.

Delays in the construction and equipping or expansion of any of our facilities could result in loss or delayed receipt of earnings, increase in financing and construction costs, and our failure to meet profit and earnings Budgets may require us to reschedule or reconsider our planned capacity expansions and accordingly would have an adverse effect on our financial condition and results of operations. Further, in case we are unable to utilize fully our expanded manufacturing capacities, our results of operations could be adversely affected.

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

Accurate assessment of market demand requires significant investment in the creation of a sales and marketing network and training of marketing personnel. There is no guarantee that our estimate of market demand in India or in foreign countries will be accurate. In the event that we overestimate the demand for our products, we will have expended resources in manufacturing excess products, taxes on manufacture, export costs, insurance costs, distribution expenses, storage and warehousing and other allied expenditures. In the event of excess production, we might have to bear the cost of expiry and destruction of these goods. In the event that we underestimate the market demand, we will have lost out on sales opportunities that our competitors will capitalize on and thereby increase their respective market shares. Any incorrect assessment of the demand for our products may adversely affect our business, financial condition and results of operations.

56. ***If we fail to keep pace with advancements in technology in the pharmaceutical industry, create new intellectual property, or respond to changes in market demand or client requirements, our business and financial results could be adversely affected.***

The pharmaceutical industry is characterized by frequent advancements in technology fuelled by high expenses incurred on research and development. To meet our customers' needs as well as keep pace with our competitors, we regularly update existing technology and acquire or develop new technology for our pharmaceutical manufacturing activities. In addition, rapid and frequent advancements in technology and market demand changes can often render existing technologies and equipment obsolete, requiring substantial new capital expenditures and/or write-downs of assets. Our competitors may have filed patent applications, or hold patents, relating to products or processes which compete with those we are developing, or their patents may impair our ability to do business in a particular geographic area. There is no guarantee that our pending applications will result in any patent being granted, or that the patents we have been granted will result in the commercialization of products. In the future, we may not be able to obtain valuable intellectual property rights as we may not have the resources to continually improve our technology by investing in research and development. For more information relating to our research and development, please refer chapter titled "*Business Overview*" beginning on page 121 of the Red Herring Prospectus. Our failure to anticipate or to respond adequately to advancements in technology, changes in market demand or customer requirements could adversely affect our business and financial results.

57. ***Exchange rate fluctuations may have an adverse impact on the financial performance of our Company.***

Imports and exports are an integral part of our Company's operations, exposing it to foreign exchange rate fluctuations and risks. We are exposed to exchange rate risk. We receive payments in various currencies from our export customers. We also import raw materials like cinchona bark. Hence we are exposed to exchange rate risks on the import and export market which may have an adverse impact on the financial performance of our Company.

58. ***Our success depends largely upon the services of our Promoters, Executive Directors and key managerial personnel and our ability to retain them. Our inability to attract and retain key managerial personnel may adversely affect the operations of our Company.***

Our Company and our Promoters have over the years built relations with suppliers, customers and other persons who are connected with our business. Further, our key managerial personnel also possess the requisite knowledge for the pharmaceutical industry to deliver efficiently. Accordingly, our Company's performance is dependent upon the services of our Promoters, our Executive Directors and key managerial personnel. Our future performance will depend upon the continued services of these persons. 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.

59. ***Delays or defaults in payment from our customers could impact our working capital cycle and thereby adversely affecting our profitibity.***

We may be subject to working capital shortages due to delays or defaults in payment by our customers. If customers default in their payments to which we have devoted significant resources it could have a material adverse effect on our business, financial condition and results of operations.

60. ***Mishaps or accidents could result in a loss or slowdown in operations and could also cause damage to life and property.***

The services provided by our Company are subject to operating risks, including but not limited to, breakdown or accidents and mishaps. While, till date, there have not been any incidents involving mishaps or major accidents, we cannot assure that these may not occur in the future. Any consequential losses arising due to such events will affect our operations and financial condition.

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

We depend extensively on the capacity and reliability of the quality assurance systems, product processing systems and information technology systems, supporting our operations. There can be no assurance that we will not encounter disruptions in the future. Our systems are also subject to damage or incapacitation by natural disasters, human error, power loss, sabotage, computer viruses, hacking, acts of terrorism and similar events or the loss of support services from third parties. Any disruption in the use of, or damage to, our systems may adversely affect our business, financial condition and results of operations.

62. ***Our Company is subject to stringent labor laws and trade union activity, labor disputes could lead to lost production and/or increased costs.***

India has stringent labor legislation that protects the interests of workers, including legislation that sets forth detailed procedures for discharge of employees and dispute resolution and imposes financial obligations on employers upon employee layoffs. As a result of such stringent labor regulations, it is difficult for us to maintain flexible human resource policies, discharge employees or downsize, which may adversely affect our business, financial condition and results of operations. As on date our Company has not witnessed any major labour disputes which would adversely have an impact on our Company's financials but our Company may in the future face, strikes or work stoppages, which could have an adverse impact on our business, financial conditions and results of operations.

Our employees at the unit situated at Mulshi, Pune are represented by a trade union. We may not be able to satisfactorily renegotiate our wage settlement agreements when they expire and may face tougher negotiations or higher wage demands from unionized labor than would be the case for non-unionized labor. In addition, existing labor agreements may not prevent a strike or work stoppage in the future. However, any incidents or strikes and work stoppage by our employees could have an adverse effect on our business, financial operation and results of operations.

63. ***We may utilize more than 25% of the proceeds of the Issue for General Corporate Purpose. As on date we may not be in a position to indicate the purpose for which these proceeds of the Issue will be utilised.***

We may utilize more than 25% of the proceeds of the Issue for General Corporate Purpose including but not limited to strategic initiatives, entering into strategic alliances, partnerships, joint ventures etc. and meeting exigencies and contingencies for the project which our company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors. However, as on date, we may not be in a position to indicate the purpose for which these proceeds of the Issue will be utilised.

EXTERNAL RISKS

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

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, 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.

65. ***Any disruption in the supply of power, IT infrastructure, telecom lines and disruption in internet connectivity could disrupt our business process or subject us to additional costs.***

Any disruption in basic infrastructure or the failure of the Government to improve the existing infrastructure facilities could negatively impact our business since we may not be able to provide timely or adequate services to our clients. We do not maintain business interruption insurance and may not be covered for any claims or damages if the supply of power, IT infrastructure, internet connectivity or telecom lines is disrupted. This may result in the loss of a client, impose additional costs on us and have an adverse effect on our business, financial condition and results of operations and could lead to decline in the price of our Equity Shares.

66. ***Outbreak of contagious diseases in India may have a material adverse impact on our business and results of operations.***

Recently, there have been threats of epidemics, including the H1N1 virus that causes "swine flu" and which the World Health Organization has declared a pandemic, in the Asia Pacific region, including India, and in other parts of the world. If any of our personnel are suspected of having contracted any of these infectious diseases, we may be required to quarantine such persons or the affected areas of our facilities and temporarily suspend a part or all of our operations. Further, such contagious diseases could prevent our clients from travelling, which would have a material adverse effect on our business, prospects, financial condition and results of operations and could cause the price of our Equity Shares to decline.

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

After this Issue, the price of our Equity Shares may be highly volatile, or an active trading market for our Equity Shares may not develop. The prices of our Equity Shares on the Stock Exchanges may fluctuate as a result of several factors, including:

- Volatility in the Indian and global securities market;
- Our results of operations and performance, in terms of market share;
- Performance of the Indian economy;
- Changes in Government policies;
- Changes in the estimates of our performance or recommendations by financial analysts;
- Perceptions about our future performance or the performance of Indian Pharmaceutical companies generally.

68. ***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 sale your Equity Shares at or above the Issue Price.***

The Issue Price of our Equity Shares will be determined on the basis of the Book Building Process. This price will be based on numerous factors (for further information please refer chapter titled "*Basis for Issue Price*" beginning on page 101 of the 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 sale your Equity Shares at or above the Issue Price. Among the factors that could affect our share price are:

- Quarterly 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.

69. ***We may not receive final listing and trading approvals from the BSE and the NSE. An active market for the Equity Shares may not develop which may cause the price of the Equity Shares to fall and may limit your ability to sell the Equity Shares.***

The Equity Shares currently have no trading market. Our Company will apply to the BSE and NSE for final listing and trading approvals after the Allotment of the Equity Shares in the Issue. There can be no assurance that we will receive such approvals on time or at all. Also, no assurance can be given that an active trading market for the Equity Shares will develop or as to the liquidity or sustainability of any such market, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which shareholders will be able to sell their Equity Shares. If an active market for the Equity Shares fails to develop or be sustained, the trading price of the Equity Shares could fall. If an active trading market were to develop, the Equity Shares could trade at prices that may be lower than their Issue Price.

70. ***You will not be able to sell immediately on an Indian stock exchange any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading approvals***

The Equity Shares will be listed on NSE and BSE. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. Investors demat accounts with depository participants in India are expected to be credited within two working days of the date on which the basis of allotment is approved by NSE and BSE. Thereafter, upon receipt of final approval from the NSE and the BSE, trading in the Equity Shares is expected to commence within four working days of the date on which the basis of allotment is approved by the Designated Stock Exchange. We cannot assure you that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified above. Any delay in obtaining the approvals would restrict your ability to dispose of the Equity Shares. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with Section 73 of the Companies Act, in the event that the permission of listing the Equity Shares is denied by the Stock Exchanges, we are required to refund all monies collected to investors.

Prominent Notes to Risk Factors:

- Our Company was originally incorporated as Anjaneya Biotech Private Limited on January 03, 2006 under the Companies Act, 1956 bearing Corporate Identity Number U24230MH2006PTC158589. Further, *vide* fresh Certificate of Incorporation dated March 08, 2007 the name of our Company was changed to Aanjaneya Biotech Private Limited. Subsequently, *vide* fresh Certificate of Incorporation dated April 12, 2010, our Company was converted into a public limited company and the name of our Company was changed to Aanjaneya Biotech Limited and the Corporate Identity Number is U24230MH2006PLC158589. Further *vide* Certificate of Incorporation dated June 19, 2010 the name of our Company was changed to Aanjaneya Lifecare Limited. No new activity is suggested by the change in name of our Company. For further details please see "*History and Other Corporate Matters*" beginning on page 147 of the Red Herring Prospectus.

- This is a Public Issue of 50,00,000 Equity Shares for cash at a price of ₹ [●] per Equity Share including a share premium of ₹ [●] per Equity Share aggregating ₹ [●] lacs (the "Issue") by Aanjaneya Lifecare Limited ("Company"/ "Issuer"). The Issue would constitute 39.76% of the post Issue paid-up equity capital of our Company.

- The SEBI ICDR Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein not more than 50% of the Issue shall be allotted on a proportionate basis to QIBs, of which 5% (excluding Anchor Investor Portion) shall be reserved for Mutual Funds. Upto 30% of the QIB Portion shall be available for allocation to Anchor Investors at the Anchor Investor Issue Price on a discretionary basis and one-third of the Anchor Investor Portion shall be available for allocation to domestic Mutual Funds. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the 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. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the BRLMs.

- Investors may contact the BRLMs and the compliance officer for any complaint/clarification/information pertaining to the issue. For contact details of the BRLMs and the compliance officer, please refer to chapter titled "*General Information*" beginning on page 47 of the Red Herring Prospectus.

- Pre-Issue Net worth of our Company as on January 31, 2011 is ₹ 12,942.46 lacs. The book value of the Equity Shares of our Company as on January 31, 2011 is ₹ 170.82 per Equity Share. For further details, please refer to section titled "*Financial Statements*" beginning on page 192 of the Red Herring Prospectus.

- The average cost of acquisition per Equity Share for our Promoters as on the date of the Red Herring Prospectus is as follows:

Name of Promoter	**Average Cost of Acquisition per Equity Share (in ₹)**
Aasda Life Care Limited	79.64
Dr. Kannan K. Vishwanath	193.11

For further details relating to the allotment of Equity Shares to our Promoters please refer to the chapter titled "Capital Structure" beginning on page 58 of the Red Herring Prospectus.

- As on date of filing of the Red Herring Prospectus there are no companies/venture promoted by our promoters except as mentioned in the chapter titled "*Our Promoter Group*" beginning on page 189 of the Red Herring Prospectus.

- Our Company has entered into related party transactions amounting to ₹ 6,602.56 lacs for the ten months period ended January 31, 2011. For details on related party transactions and loans and advances made to any company in which Directors are interested, please refer *"Annexure 17"" Details of Related Party Transaction"* beginning on page 221 under chapter titled *"Auditors' Report and Financial Information of our Company"* beginning on page 192 of the Red Herring Prospectus.

- There has been no capitalisation of our reserves since inception.

- Investors may note that in case of over-subscription in the Issue, allotment to Qualified Institutional Bidders, Non-Institutional Bidders and Retail Bidders shall be on a proportionate basis. For more information, please refer chapter titled "*Terms of the Issue*" beginning on page 286 of the Red Herring Prospectus

- Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the sole discretion of our Company, in consultation with the BRLMs.

- Trading in Equity Shares of our Company for all investors shall be in dematerialised form only.

- Except as disclosed in chapters titled "*Capital Structure*", "*Our Promoters and their Background*" and "*Our Management*" beginning on pages 58, 176 and 153 respectively, of the Red Herring Prospectus, none of the Promoters, Directors or key managerial personnel have any interest in our Company.

- Our Company has not issued any shares for consideration other than cash.

- Investors are advised to refer to the chapter titled "*Basis for Issue Price*" beginning on page 101 of the Red Herring Prospectus.

- There are no financing arrangements whereby the Promoter Group, the Directors of our Corporate Promoter, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of filing Red Herring Prospectus with the Board.

- For information on the changes of the objects clause of the Memorandum of Association of our Company, please refer chapter titled *"History and Other Corporate Matters"* beginning on page 147 of the Red Herring Prospectus.

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

The information in this section has been extracted from the websites of and publicly available documents from various sources, including but not limited to industry websites and publications. The data on pharmaceutical industry is from the OPPI – E&Y Report, 2009 on "Taking Wings: Coming of Age of the Indian Pharmaceutical Outsourcing Industry" and OPPI – Yes Bank report on "Indian Pharmaceutical Industry: Vision 2015". The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the Issue has verified the information provided in this section. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information. Industry sources and publications are also prepared based on information as on specific dates and may no longer be current.

About Indian Economy

India is the world's largest democracy by population size and one of the fastest growing economies in the world. According to the CIA World Factbook, India's estimated population was approximately 1.16 billion people as of July 2009. India had an estimated GDP on a purchasing power parity basis of approximately USD 3,297 billion in 2008, making it the fifth largest economy in the world after the European Union, United States of America, China and Japan. In the past, India has experienced rapid economic growth, with GDP growing at an average growth rate of 8.8% between fiscal 2003 to fiscal 2008, as per the RBI's First Quarter Review, 2009-2010.
(Source: International Monetary Fund, World Economic Outlook Update, July 2009 (Calendar Year Growth Rates))

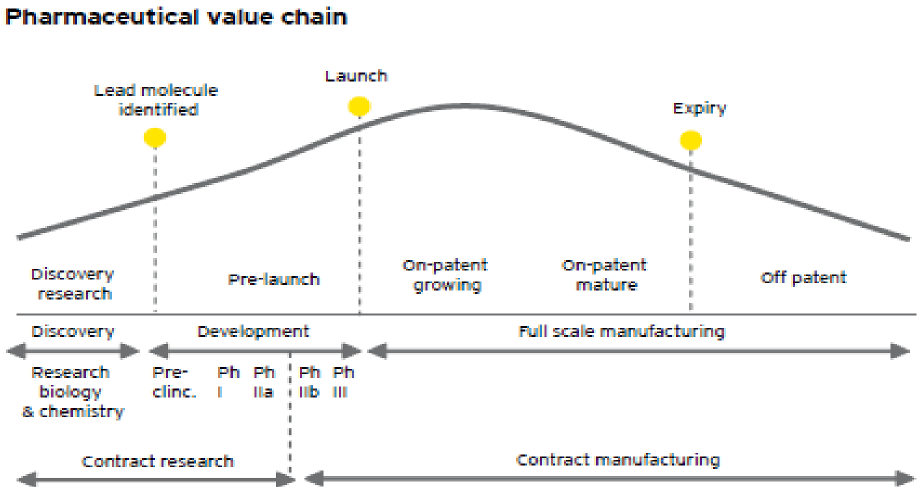
The Indian economy has posted an average growth rate of more than 7% in the decade since 1996 reducing poverty by about 10%. Since the year 1990, India has emerged as one of the fastest growing economies in the developing world. This has been accompanied by increases in life expectancy, literacy rates and food security

In the last decade, the growing economy has led to significant growth in most industries including telecom, automobiles, media and entertainment and even healthcare.

Growth of Indian Economy (YES Bank/OPPI)
(Source: *OPPI – Yes Bank report on "Indian Pharmaceutical Industry: Vision 2015*)

Pharmaceutical Markets

The global pharmaceuticals market can be classified into two categories: regulated and unregulated/semi regulated. The regulated markets are primarily governed by stringent government regulations such as intellectual property protection, including product patent recognition. As a result, regulated markets have greater stability for both volumes and prices while a drug is under patent protection. On the other hand, unregulated/semi-regulated markets have lower entry barriers in terms of regulatory requirements; hence they are highly competitive, with industry players primarily competing on the basis of price.



*(Source**:** OPPI – E&Y Report, 2009 on "Taking Wings: Coming of Age of the Indian Pharmaceutical Outsourcing Industry")*

Global Pharmaceutical Market

The global pharmaceutical market grew by 4.8% to reach USD 773 billion in 2008 from USD 715 billion in 2007. The CAGR for the period 2001-2007 was 10.5%. The two largest markets, the US and Europe, which contributed almost 72.3% to the global market in 2008, achieved growth rates of 1.4% and 5.8% respectively. The European market is expected to grow with a CAGR of 2-5% for 2008–2013.

On the other hand, emerging markets like Asia, Africa and Latin America, collectively grew at a CAGR of 12-14% from 2003-2008, and are expected to continue growing at a higher rate over the coming years.
(Source: OPPI – E&Y Report, 2009 on Taking Wings: Coming of Age of the Indian Pharmaceutical Outsourcing Industry)

Indian Pharmaceutical Industry

The Indian pharmaceutical industry can be classified based on products manufactured as bulk 'actives and formulations'. Based on the markets catered, these can be further classified into domestic and exports. Further, exports can be made to regulated or developed markets like US, Europe, Japan etc and semi-regulated/non-regulated or emerging markets like Asia, Africa and Latin America.

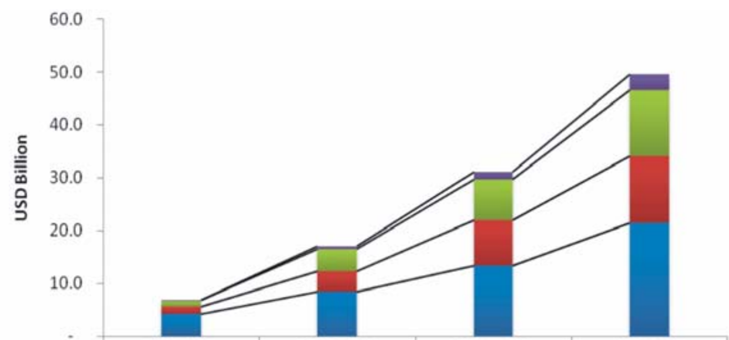
Bulk actives are otherwise known as Active Pharmaceutical Ingredients (APIs) or bulk drugs. They comprise of medicinally active ingredients that are converted into formulations or dosage forms. APIs are either manufactured in-house by formulation companies or they can be outsourced to third party API manufacturers.

Formulations involve developing a preparation of the drug (from APIs and other ingredients) which is both stable and acceptable to the patient. This usually involves incorporating the drug into a tablet, capsules, injectibles, syrups, etc. The formulations are administered to or taken by the patient and are available either by prescription or over-the-counter. A prescription drug is a licensed medicine that is regulated by legislation to require a prescription (usually from a doctor) before it can be obtained. The term is used to distinguish it from over-the-counter drugs which can be obtained without a prescription.

The Indian Pharmaceutical industry has been witnessing phenomenal growth in recent years, driven by rising consumption levels in the country and strong demand from export markets. The pharmaceutical industry in India is estimated to be worth about US$ 10 bn, growing at an annual rate of 9%. In world rankings, the domestic industry stands fourth in terms of volume and 13th in value terms. The ranking in value terms may also be a reflection of the low prices at which medicines are sold in the country.

The industry has seen tremendous progress in terms of infrastructure development, technology base and the wide range of products manufactured. Demand from the exports market has been growing rapidly due to the capability of Indian players to produce cost-effective drugs with world class manufacturing facilities. Bulk drugs of all major therapeutic groups, requiring complicated manufacturing processes are now being produced in India. Pharmaceuticals companies have developed Good Manufacturing Practices (GMP) compliant facilities for the production of different dosage forms.

In addition to having GMP, WHO, several Indian companies have also been getting plant approvals from international regulatory agencies like US FDA, MCA (UK), TGA (Australia), MCC (South Africa). India possesses the highest number of US FDA approved manufacturing facilities outside the USA and currently tops in filing the drug master files (DMF) with the US FDA. This has also facilitated the domestic industry to attract contract manufacturing opportunities in the rapidly growing generics market.



	2002-03	2007-08 E	2011-12 P	2015-16 P
Contract Research	0.0	0.4	1.3	3.0
Bulk Drug Exports	1.2	4.2	7.8	12.6
Formulation Exports	1.4	4.0	8.6	12.6
Domestic Formulation	4.3	8.4	13.4	21.5

(Source: *OPPI – Yes Bank report on "Indian Pharmaceutical Industry: Vision 2015*)

SUMMARY OF BUSINESS

Our Company is a vertically integrated pharmaceutical company with manufacturing and marketing capabilities in APIs (Active Pharmaceutical Ingredients) with focus on anti-malarial, and Finished Dosage Forms (FDFs) catering to various therapeutic segments.

We started our manufacturing activities in the year 2007 with an installed capacity of 2,00,000 kgs per annum for processing quinine, a pharmaceutical API for malaria derived from natural extracts, for supplying to other pharmaceutical companies for their finished dosages forms (FDFs). Our facility for APIs is GMP certified and is located at Additional MIDC, Mahad, Maharashtra. The same is awarded with ISO 14001:2004 (Environment Management System), ISO 9001:2008 & ISO 22000:2005 certifications by BSI Systems. We have also received the Certificate of Suitability from EDQM for our API Product Quinine Sulphate manufactured at our unit in Mahad.

Since our Company's inception, we have made continuous efforts to grow and expand our business and product lines. Our Company's installed capacity for processing quinine has grown from 2,00,000 kgs per annum in the year 2007 to 4,50,000 kgs per annum in the year 2010 with a capacity utilization of 60.89% in FY10 and 64.67% for the ten month period ended January 31, 2011. We have already commenced production of third generation anti malarial APIs i.e. artemisinin and its derivatives and niche API's. We have set up a dedicated small R&D block in Mahad, Maharashtra for manufacturing highly potent anti cancer product from 100 grams to 500 grams. Trial production for this unit is under process. We are also setting up a separate block for manufacturing anti cancer APIs and a separate cGMP block for manufacturing of niche APIs with enhanced capacity and a separate intermediate block for manufacturing the intermediates of niche APIs which have applications in various therapeutic segments.

Our Company's business strategy is to be vertically integrated with presence in bulk drug manufacturing, intermediate drugs and finished dosage forms. We have recently acquired assets situated at Mulshi, Pune of Prophyla Biologicals (P) Limited, a company engaged in the business of formulations/ FDFs through an asset purchase agreement dated March 30, 2010, Sale Deed dated October 24, 2010 and deed of assignment dated April 01, 2010. Prophyla Biologicals (P) Limited is a contract manufacturer of lozenges, syrups and ointment/gels/creams. This acquisition gives us access to tap the potential of the formulation business thereby making us an integrated player with presence in the entire value chain in the pharmaceutical industry. The unit, spread over an area of 6,430 sq. mts. is situated at Mulshi, near Pune.

Our Company's present product portfolio consists of second generation, quinine based anti malarial APIs and third generation artemisinin based anti malarial APIs, niche API's and FDFs. With the expansion of the existing facility and the acquisition of the formulation unit at Pune, our Company's product portfolio will consist of APIs and FDFs which shall be marketed in domestic and international markets as branded generics. In finished dosages, we will cover important therapeutic segments such as anti malarial, pain management, erectile dysfunction and hormone replacement therapy, anti obesity and herbal supplements in syrup and tablet form amongst others. Our herbal formulations are for cough and cold, liver protection, throat congestion and osteoporosis. Presently we are supplying our APIs, niche API's and FDFs both domestically and exporting to around 15 countries namely Kenya, Uganda, Argentina, Cyprus, South Africa, Indonesia, Tanzania, Yemen, West Indies, Switzerland, Vietnam, Congo, Hong Kong, Haiti, Syria and Jordan. In our formulation segment, as contract manufacturer, we supply to companies like Wockhardt, Cipla, Glenmark etc. In our own branded generic segment, we are offering products like Anjtil, Rankorex, Doktor Qure, Prosils, LivChek, Herbal Drops and Esyhil. Further, in 2011, we have also launched products like Aanrich, Actipros, Ulsacare, Apticatch, Anjeniya Curcumacare, and Nicco-nil amongst others.

We have an established R&D centre at our existing facility at Mahad and Pune. Through the proceeds of the Issue, we propose to expand our R&D centre at Mahad and Pune. Our R&D centre is focused on improving the existing processes of drug development and reducing the production time and cost. At present, we have 5 patents registered and 5 patents applied in the name of our Company in India, further we have also acquired rights for 3 patent applications filed for improved and non infringing process for producing anti cancer APIs namely Gemicitabine Hydrochloride, Capacitabine and Docetaxel which are yet to be granted.

At Aanjneya, success is measured in terms of customer satisfaction and quality that is built into every product. The value of commitment to quality is also cherished by each of our 261 staff members and is consciously upheld by a network of approximately 130 distributors. We have entered into a management consultancy services agreement dated June 26, 2010 with Rx Pharma India for availing their services for sales management, marketing, and logistics to market our products.

The total income of our Company has grown from ₹ 2,238.43 lacs in FY 08 to ₹ 16,935.66 lacs in FY 10 at a CAGR of 175.06 %. The Profit after tax of our Company has grown from ₹ 231.90 lacs in FY 08 to ₹ 1,507.93 lacs in FY 10 at a CAGR of 155.01 %. The total income and profit after tax of our Company for the ten month period ended January 31, 2011 was ₹ 29,257.61 lacs and ₹ 3,111.19 lacs respectively.

Our Competitive Strengths

We believe that the following are our primary competitive strengths:

1. ***Vertically integrated business model.***

Our Company has a vertically integrated business model with research and development, manufacturing, marketing and distribution capabilities, with respect to certain finished dosage forms. We believe that this will help our Company in moving up the value chain, control production costs, reduce dependency on third parties and strengthen our position as a low-cost producer, while our research and development team provides additional support for the integrated business model through continued efforts by increasing the number of APIs which can be used to produce the FDF products.

We are an integrated manufacturer of anti malarial drugs which makes us eligible to directly participate in global tender and institutional business. We are an integrated manufacturer of herbal formulations and have introduced our brand LivChek and Prosils in the domestic market and recently in semi regulated export market.

2. ***Multiple Finished Dosage Forms catering to various therapeutic segments.***

In our herbal medication segment we have expertise in extraction of herbal extracts from plants and herbs which are further formulated as syrups, capsules and tablets and sold under our brand name. We manufacture codeine based cough syrups and have introduced the brand 'Rankorex' in the Indian market and are in the process of introducing the same in the semi regulated markets such as Africa, Central America and Middle East.

We are in the process of setting up an independent lozenges block in compliance with EUGMP Guidelines to be commissioned by August, 2011. We are developing lozenges as Ethical Prescription Dosages (EPD) for the following therapeutic segments such as irregular bowel movement, insomnia, stress management, smoking de-addiction, appetite enhancer in kids, prostate cancer (cur cumin), joint pain and diabetics amongst others which our Company believes is a Noval Drug Delivery System (NDDS) since this dosage form is sublingual and has better absorption. Further, our Company has recently launched lozenges for insomnia, stress management, smoking de-addiction, appetite enhancer in kids, prostate cancer, etc.

In the gels and cream segments our Company has patents granted by Indian patent office in 2008. The same are used for hormone replacement therapy in gel form.

3. ***Facility designed to serve multiple products range***

We are presently manufacturing second generation anti malaraial which are Quinine and its salts and have recently commenced commercial production of third generation anti malarial which are Artimisinin based salts. We are in the process of expanding our existing manufacturing facility at Mahad by setting up separate units for manufacturing niche APIs in a separate cGMP block, their intermediates and herbal extracts in a separate Intermediate Block, anti cancer APIs in a dedicated and isolated block. We are also providing a separate and centralised quality control and quality assurance department common to all API blocks. We will be having an R&D Block a Product Development Laboratory (PDL) for development of APIs. Further we propose to construct a dedicated stores building which will provide segregation for liquid, synthetic, cycotoxic and herbal raw materials. Further, the production equipments employed at our production facilities are multipurpose and multi-product. These equipments allow us to produce a variety of APIs and their intermediates by changing the process parameters, input mix and following cleaning validations procedures.

Further, the production facility at our formulation unit is also multipurpose in nature. Therefore, with our flexible manufacturing infrastructure and multiple product range, we can change our product mix in response to changes in the demands of our customers. Currently we are manufacturing lozenges, liquid syrups, gels and ointments. We plan to commission the tablets and capsule manufacturing section by August, 2011.

4. Compliance with quality standards to serve international markets

Our GMP certified unit at Mahad is presently manufacturing quinine and quinine salts and the same is awarded with ISO 14001:2004 (Environment Management System), ISO 9001:2008 and ISO 22000:2005 certifications. We have also received the Certificate of Suitability from EDQM for our API Product Quinine Sulphate manufactured at our unit in Mahad. Our formulations plant at Pune is also GMP and ISO 9001:2008 certified. Such certifications would allow us to market our products in regulated and semi regulated markets.

5. We have a qualified and experienced employee base and management team with knowledge in healthcare domain

Our Company is managed by a team of experienced and qualified personnel, possessing an average experience of 15 years in the domestic and international pharmaceutical industry, including in the areas of production, quality control, marketing and finance. Our chairman, Mr. Kashi Vishwanathan has 45 years of experience in the pharmaceutical industry and is the guiding force behind the strategic decisions taken at management levels. Dr. Kannan K. Vishwanath, our vice chairman and Managing Director holds a Bachelors' degree in chemical engineering from University of Pune and a Masters' degree in business administration from Hamilton College USA. He has also been conferred with an Honorary Doctorate from International University of Vienna Austria. With more than 10 years of experience in pharmaceutical industry, he is responsible for spearheading our Company's management, global operations and guiding it through its next phase of growth. Mr. Prabhat K. Goyal, a Director on our Board is a post graduate in organic chemistry and has 33 years of working experience in reputed pharmaceutical companies and is responsible for the day to day operations of our API manufacturing facility in Mahad. Mr. Shashikant B. Shinde a Director on our Board is a post graduate in business administration and holds a Bachelor's degree in Science with over 30 years experience in this industry and is responsible for the day to day operations of our Formulation manufacturing facility in Pune.

Our Promoters and Directors are backed with a team of qualified personnel with relevant domain experience which provides us with a competitive advantage as we seek to expand in our existing product portfolio.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from the restated audited financial statements of our Company for the ten month period ended January 31, 2011 and for the year ended March 31, 2010, 2009, 2008 and 2007 and prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. The restated summary financial information presented below should be read in conjunction with the restated financial information included in the Red Herring Prospectus, the notes thereto in the chapter titled *"Auditors' Report and Financial Information of our Company"* and "*Management's Discussion and Analysis of Financial Condition and Results of Operations as reflected in the financial statements*" beginning on page 192 and 227 of the Red Herring Prospectus respectively.

STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(₹ in Lacs)

Sr. No.	Particulars	As at March 31,				As at January 31,
		2007	2008	2009	2010	2011
A.	**Fixed Assets**					
	Gross block	-	1,097.10	1,394.86	4,854.96	6,978.74
	Less: Depreciation	-	22.70	74.41	162.28	368.67
	Net Block	-	1,074.40	1,320.45	4,692.68	6,610.07
	Capital Work -in-Progress	67.07	-	-	420.25	3,718.29
	Total Fixed Assets (A)	**67.07**	**1,074.40**	**1,320.45**	**5,112.93**	**10,328.36**
B.	**Investments (B)**	**0.03**	**5.00**	**5.00**	**5.02**	**5.02**
C.	**Current assets, loans and advances:**					
	Inventories	-	279.28	1,533.81	3,604.28	7,400.81
	Receivables	-	1,230.50	3,092.37	4,329.86	10,899.95
	Cash and bank balances	1.30	7.96	72.55	75.29	376.20
	Loans and advances	3.46	162.72	45.85	348.87	337.52
	Total (C)	**4.76**	**1,680.46**	**4,744.58**	**8,358.30**	**19,014.48**
	Total Assets (A + B + C)	**71.86**	**2,759.86**	**6,070.03**	**13,476.25**	**29,347.86**
D.	**Liabilities and provisions**					
	Secured loans	-	1,170.09	3,141.22	4,959.42	11,175.10
	Unsecured loans	54.29	73.94	621.51	1,009.89	663.37
	Deferred Tax Liability	-	75.17	101.17	235.02	438.78
	Current liabilities	19.76	945.14	724.08	1,643.39	2,068.48
	Provisions for Taxes	-	63.71	244.51	651.23	2,049.49
	Provision for Gratuity	-	-	3.62	5.95	10.18
	Other Provisions	-	3.10	2.60	0.12	-
	Total Liabilities (D)	**74.05**	**2,331.15**	**4,838.71**	**8,505.02**	**16,405.40**
E.	**Net worth (A+B+C-D)**	**(2.19)**	**428.71**	**1,231.34**	**4,971.27**	**12,942.46**
F.	**Represented by**					
	Share capital					
	-Equity Share Capital	1.00	200.00	495.00	577.67	757.67
	Total(A)	**1.00**	**200.00**	**495.00**	**577.67**	**757.67**
	Reserves and surplus	(3.19)	228.71	736.34	4,393.60	12,184.79
	Total(B)	**(3.19)**	**228.71**	**736.34**	**4,393.60**	**12,184.79**
	Less: Miscellaneous Expenditure to the extent not	-	-	-	-	

	written off					-
	Total(C)	-	-	-	-	-
	Net Worth (A+B-C)	**(2.19)**	**428.71**	**1,231.34**	**4,971.27**	**12,942.46**

STATEMENT OF PROFIT AND LOSS, AS RESTATED

(₹ in Lacs)

Sr. No.	Particulars	For the year ended March 31				For ten months ended
		2007	**2008**	**2009**	**2010**	**January 31, 2011**
A	**Income**					
	Sales of Products Manufactured by the Company	-	2,187.87	9,010.28	16,008.57	27,986.29
	Sales of Products Traded by the Company	-	-	3.10	158.58	15.53
	Net Sales	-	2,187.87	9,013.38	16,167.15	28,001.82
	Other Income	-	0.10	1.36	52.63	17.09
	Increase/(Decrease) in Inventories	-	50.46	100.85	715.88	1,238.70
	Total (A)	**-**	**2,238.43**	**9,115.59**	**16,935.66**	**29,257.61**
B	**Expenditure**					
	Materials consumed	-	1,658.23	7,462.90	13,017.92	21,822.92
	Wages and Staff Costs	-	11.79	156.59	233.87	377.22
	Other manufacturing expenses	-	41.37	215.72	399.28	453.59
	Administrative, selling and distribution expenses	-	20.58	189.47	304.95	605.63
	Total (B)	**-**	**1,731.97**	**8,024.68**	**13,956.02**	**23,259.36**
C	**Profit Before Interest, Depreciation and Tax**	**-**	**506.46**	**1,090.91**	**2,979.64**	**5,998.25**
	Depreciation	-	22.70	51.71	87.88	206.39
D	**Profit Before Interest and Tax**	**-**	**483.76**	**1,039.20**	**2,891.76**	**5,791.86**
	Financial Charges	-	78.12	257.88	603.65	1,078.64
E	**Profit after Interest and Before Tax**	**-**	**405.64**	**781.32**	**2,288.11**	**4,713.22**
	Preliminary Expenses & Def. Exp. W/o	-	34.95	-	-	-
F	**Profit before Taxation**	**-**	**370.69**	**781.32**	**2,288.11**	**4,713.22**
	Provision for Taxation	-	62.71	239.57	643.88	1,398.27
	Provision for Deferred Tax	-	75.17	26.00	133.85	203.76
	Provision for FBT	-	1.00	1.90	-	-
	Add/Less Adjustments of Prior Year	-	-	3.10	2.60	6.07
	Total	**-**	**138.88**	**270.57**	**780.33**	**1,608.10**
G	**Profit After Tax but Before Extra ordinary Items**	**-**	**231.81**	**510.75**	**1,507.78**	**3,105.12**
	Extraordinary items	-	-	-	-	-
	Impact of Material adjustments for restatement in corresponding years	(3.19)	0.09	(3.12)	0.15	6.07
H	**Net Profit after adjustments**	**(3.19)**	**231.90**	**507.63**	**1,507.93**	**3,111.19**
I	**Net Profit Transferred to Balance Sheet**	**(3.19)**	**228.71**	**736.34**	**2,244.27**	**5,355.46**

STATEMENT OF CASH FLOW, AS RESTATED

(₹ in Lacs)

Sr. No.	Particulars	For the year ended March 31,				For ten months ended January 31,
		2007	2008	2009	2010	2011
A	**Cash Flow from Operating Activities**					
	Profit before tax, as restated	**-**	**370.69**	**781.32**	**2,288.11**	**4,713.22**
	Adjustments for					
	Depreciation	-	22.70	51.71	87.88	206.39
	Miscellaneous expenditure written off	-	34.95	-	-	-
	Prior Period expenses	-	-	(3.10)	(2.60)	(6.07)
	Financial Expense	-	78.12	257.88	603.65	1,078.64
	Operating Income before working capital changes	**-**	**506.46**	**1,087.81**	**2,977.04**	**5,992.18**
	Adjustments for:					
	Decrease/(Increase) in Trade & Other Receivables	-	(1,230.50)	(1,861.88)	(1,237.49)	(6,570.09)
	Decrease/(Increase) in Inventories	-	(279.28)	(1,254.54)	(2,070.47)	(3,796.52)
	Decrease/(Increase) in Loans & Advances	(3.46)	(159.26)	116.87	(303.02)	11.36
	Decrease/(Increase) in Misc. Exp not w/off	(3.19)	3.19	-	-	-
	Increase/(decrease) in Trade Payables	19.76	925.38	(221.06)	919.31	435.29
	Cash Generated from Operations	**13.11**	**(234.01)**	**(2,132.80)**	**285.36**	(3,927.78)
	Direct Taxes (Net)	-	-	(60.67)	(237.16)	-
	Net Cash Flow from Operating Activities	**13.11**	**(234.01)**	**(2,193.47)**	**48.20**	**(3,927.78)**
B	**Cash Flow from Investing Activities**					
	Purchase of Fixed Assets & CWIP	(67.07)	(1,030.03)	(297.76)	(3,880.35)	(5,421.82)
	Investments Made	(0.03)	(4.97)	-	(0.02)	-
	Miscellaneous Expenditure	**-**	**(34.95)**	**-**	**-**	-
	Net Cash used from Investing Activities	**(67.10)**	**(1,069.95)**	**(297.76)**	**(3,880.37)**	**(5,421.82)**
C	**Cash Flow from Financing Activities**					
	- Share Capital	1.00	199.00	295.00	82.67	180.00
	- Share Premium	-	-	-	2,149.33	4,680.00
	Change in the Borrowings					
	- Loans Receipt (Net)	54.29	1,189.73	2,518.71	2206.58	5,869.15
	- Interest Paid	-	(78.12)	(257.88)	(603.65)	(1,078.64)
	Net Cash Flow from Financing Activities	**55.29**	**1,310.61**	**2,555.83**	**3,834.93**	**9,650.51**
	Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	**1.30**	**6.65**	**64.59**	**2.74**	**300.91**
	Cash & Cash Equivalents at Beginning of the Year	**-**	**1.30**	**7.96**	**72.55**	**75.29**
	Cash & Cash Equivalents at End of the Year	**1.30**	**7.96**	**72.55**	**75.29**	**376.20**

THE ISSUE

Issue Details	
Public Issue of Equity Shares	**50,00,000** Equity Shares aggregating ₹ [•] lacs
Of which:	
A. Qualified Institutional Buyers Portion*	Not more than **25,00,000** Equity Shares aggregating ₹ [•] lacs, constituting not more than 50% of the Issue to the Public (Allotment on a proportionate basis).
of which	
Available for Mutual Funds only	**1,25,000** Equity Shares aggregating ₹ [•] lacs, constituting 5% of the Net QIB Portion (Allocation on a proportionate basis).
Balance of QIB portion (available for all QIBs including Mutual Funds)	**23,75,000** Equity Shares aggregating ₹ [•] lacs (Allotment on a proportionate basis).
B. Non-Institutional Portion	Not less than **7,50,000** Equity Shares aggregating ₹ [•] lacs, constituting not less than 15% of the Issue to the Public (Allocation on a proportionate basis).
C. Retail Portion	Not less than **17,50,000** Equity Shares aggregating ₹ [•] lacs constituting not less than 35% of the Issue to the Public (Allocation on a proportionate basis).
Equity Shares outstanding prior to the Issue	**75,76,667** Equity Shares
Equity Shares outstanding after the Issue	**1,25,76,667** Equity Shares
Use of Proceeds	For further details please refer chapter titled *"Objects of the Issue"* beginning on page 72 of the Red Herring Prospectus for information on use of Issue Proceeds.

** Our Company may allocate upto 30% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors. For further details, refer chapter titled "Issue Structure" beginning on page 290 of the Red Herring Prospectus.*

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

In case of under – subscription, if any, in any of the categories, spillover to the extent of under - subscription shall be permitted from other categories or a combination of categories in the Issue at the discretion of our Company in consultation with the BRLMs.

GENERAL INFORMATION

Our Company was originally incorporated as Anjaneya Biotech Private Limited on January 03, 2006 under the Companies Act, 1956 bearing Corporate Identity Number U24230MH2006PTC158589. Further, *vide* fresh Certificate of Incorporation dated March 08, 2007 the name of our Company was changed to Aanjaneya Biotech Private Limited. Subsequently, *vide* fresh Certificate of Incorporation dated April 12, 2010, our Company was converted into a public limited company and the name of our Company was changed to Aanjaneya Biotech Limited and the Corporate Identity Number is U24230MH2006PLC158589. The name of our Company was further changed to Aanjaneya Lifecare Limited *vide* fresh Certificate of Incorporation dated June 19, 2010.

Registered Office of our Company

Aanjaneya Lifecare Limited
Aanjaneya House,
Plot 34, Postal Colony,
Chembur,
Mumbai – 400 071,
Maharashtra, India.
Tel: + 91 22 2526 4500
Fax: + 91 22 2522 3251
Email: ipo@aanlife.com
Website: www.aanlife.com

For details of change in name and Registered Office, please refer to the chapter titled *"History and Other Corporate Matters"* beginning on page 147 of the Red Herring Prospectus.

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Sumant A. Khedekar
Aanjaneya House,
Plot 34, Postal Colony,
Chembur,
Mumbai – 400 071,
Maharashtra, India.
Tel: + 91 22 2526 4500
Fax: + 91 22 2522 3251
Email: ipo@aanlife.com
Website: www.aanlife.com

Address of the RoC

Registrar of Companies Maharashtra, Mumbai
100, Everest Building,
Marine Drive,
Mumbai - 400 002
Maharashtra, India

OUR BOARD OF DIRECTORS

The Board of Directors as on the date of filing the Red Herring Prospectus with SEBI is as follows:

Sr. No.	Name of the Director	Designation	Nature of Directorship	DIN
1.	Mr. Kashi Vishwanathan	Chairman	Executive and Non Independent	02057551
2.	Dr. Kannan K. Vishwanath	Vice Chairman and Managing Director	Executive and Non Independent	00290535
3.	Mr. Prabhat K. Goyal	Whole time Director	Executive and Non Independent	03021662
4.	Mr. Shashikant B. Shinde	Whole time Director	Executive and Non Independent	02568658
5.	Dr. Ullooppee S. Badade	Director	Non Executive and Independent	02933124
6.	Mr. Giridhar G. Pulleti	Director	Non Executive and Independent	01594062
7.	Mr. Balkrishna R. Parab	Director	Non Executive and Independent	03021718
8.	Mr. Kalidas S. Patel	Director	Non Executive and Independent	03191393

For detailed profile of our Directors, please refer to the chapters titled *"Our Management"* and *"Our Promoters and their Background"* beginning on pages 153 and 176 respectively of the Red Herring Prospectus.

Investors can contact the compliance officer and /or the Registrar to the Issue and / or the Book Running Lead Managers, i.e., Anand Rathi Advisors Limited and IDBI Capital Market Services Limited, in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB giving full details such as name, address of the applicant, number of Equity Shares applied for, Bid Amount blocked, ASBA Account number and the Designated Branch of the relevant SCSB where the ASBA Form was submitted by the ASBA Bidder.

ISSUE MANAGEMENT TEAM

BOOK RUNNING LEAD MANAGERS

Anand Rathi Advisors Limited

11th Floor, Times Tower, Kamala City,
Senapati Bapat Marg, Lower Parel,
Mumbai - 400 013
Maharashtra, India
Tel: +91 22 4047 7000
Fax: +91 22 4047 7070
Website: www.rathi.com
Email: aanjaneya.ipo@rathi.com
Investor Grievance Email: grievance.ecm@rathi.com
Contact Person: Mr. Ankoor Choudharri / Ms. Varshaa P Kamra
SEBI Registration No.: INM000010478

IDBI Capital Market Services Limited

5th Floor, Mafatlal Centre,
Nariman Point,
Mumbai – 400 021
Maharashtra, India
Tel: +91 22 4322 1212
Fax: +91 22 2283 8782
Website: www.idbicapital.com
Email: aanjaneya.ipo@idbicapital.com
Investor Grievance Email: redressal@idbicapital.com
Contact Person: Mr. Keyur Desai / Mr. Rishi Tiwari
SEBI Registration No.: INM000010866

REGISTRAR TO THE ISSUE

Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West),
Mumbai - 400 078
Maharashtra, India
Tel: +91 22 2596 0320
Fax: +91 22 2596 0329

Email: all.ipo@linkintime.co.in
Investor Grievance Email: all.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Mr. Sachin Achar
SEBI Registration No.: INR000004058

LEGAL ADVISOR TO THE ISSUE

M/s. Crawford Bayley & Co.

Advocates & Solicitors
State Bank Buildings, 4th Floor,
N.G.N. Vaidya Marg, Fort,
Mumbai - 400 001
Maharashtra, India
Tel: +91 22 2266 8000
Fax: +91 22 2266 3978
Email: sanjay.asher@crawfordbayley.com

STATUTORY AUDITOR TO OUR COMPANY

Sunil Mistry & Co.

B/10, Basant Court,
Sion (West),
Mumbai – 400 022
Maharashtra, India
Tel: + 91 22 2521 2210
Fax: + 91 22 2521 2210
Email: sunilpmistry@gmail.com
Firm Registration No.: 123435W

IPO GRADING AGENCIES

Fitch Ratings India Private Limited

Apeejay House,
6th Floor, 3 Dinshaw Vachha Road,
Churchgate,
Mumbai – 400 020, India
Tel: +91 22 4000 1700
Fax: +91 22 4000 1701

CRISIL Limited

CRISIL House, Central Avenuem
Hiranandani Business Park,
Powai,
Mumbai – 400 076, India
Tel: +91 22 3342 3000
Fax: +91 22 3342 8088

BANKERS TO THE ISSUE AND ESCROW COLLECTION BANKS

IDBI Bank Limited

Unit No. 2, Corporate Park,
Near Swastik Chambers,
Sion-Trombay Road, Chembur,
Mumbai – 400071, India
Tel: + 91 22 6690 8402
Fax: + 91 22 6690 8424
Email: ipoteam@idbi.co.in
Website: www.idbibank.com

IndusInd Bank Limited

Cash Management Services,
Solitaire Corporate Park, No. 1001,
Building No. 10, Ground Floor,
Guru Hargovindji Marg, Andheri (East)
Mumbai – 400093
Tel.: +91 22 6772 3901
Fax.: +91 22 6772 3998
Website : www.indusind.com

Contact Person: Mr. M. N. Kamat
SEBI Registration No.: INBI00000076

Email: prasanna.vaidyanathan@indusind.com
Contact Person: Mr. Prasanna Vaidyanathan
SEBI Registration No. INBI00000002

Axis Bank Limited

Universal Insurance Building,
Sir P. M. Road, Fort,
Mumbai – 400 001
Tel.: +91 22 6610 7353 / 7256
Fax.: +91 22 2283 5785
Website : www.axisbank.com
Email: rajesh.khandelwal@axisbank.com
Contact Person: Mr. Rajesh Khandelwal
SEBI Registration No. INBI00000017

REFUND BANK

IDBI Bank Limited

Unit No. 2, Corporate Park,
Near Swastik Chambers,
Sion-Trombay Road, Chembur,
Mumbai – 400071, India
Tel: + 91 22 6690 8402
Fax: + 91 22 6690 8424
Email: ipoteam@idbi.co.in
Website: www.idbibank.com
Contact Person: Mr. M. N. Kamat
SEBI Registration No.: INBI00000076

SYNDICATE MEMBERS

Anand Rathi Advisors Limited

11th Floor, Times Tower, Kamala City,
Senapati Bapat Marg, Lower Parel,
Mumbai - 400 013
Maharashtra, India
Tel: +91 22 4047 7000
Fax: +91 22 4047 7070
Website: www.rathi.com
Email: aanjaneya.ipo@rathi.com
Investor Grievance Email: grievance.ecm@rathi.com
Contact Person: Mr. Ankoor Choudharri / Ms. Varshaa P Kamra

IDBI Capital Market Services Limited

5th Floor, Mafatlal Centre,
Nariman Point,
Mumbai – 400 021
Maharashtra, India
Tel: +91 22 4322 1212
Fax: +91 22 2283 8782
Website: www.idbicapital.com
Email: aanjaneya.ipo@idbicapital.com
Investor Grievance Email: redressal@idbicapital.com
Contact Person: Mr. Keyur Desai / Mr. Rishi Tiwari

SELF CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as SCSB for the ASBA Process are provided on www.sebi.gov.in Details relating to the Designated Branches of SCSBs collecting the ASBA Bid cum Application Forms are available at the abovementioned link.

BANKERS TO OUR COMPANY

State Bank of India
Commercial Branch
N.G.N. Vaidya Marg, Bank Street,
Horniman Circle,
Mumbai - 400 001,
Maharashtra, India
Tel: +91 22 2266 2205
Fax: +91 22 2262 6474
Email: dgm06070@sbi.co.in
Website: www.statebankofindia.com
Contact Person: Mr. Ravindra Pandole

Corporation Bank
Commercial Branch
Baitul Saraf, 105 Hill Road,
Bandra (W)
Mumbai - 400 050,
Maharashtra, India
Tel: +91 22 2642 1725/1655
Fax: +91 22 2642 1690
Email: cb120@corpbank.co.in
Website: www.corpbank.com
Contact Person: Mr. Ravi Kumar

Allahabad Bank
Allahabad Bank Building
Industrial Finance Branch
2nd Floor, 37, Mumbai Samachar Marg, Fort
Mumbai – 400 023,
Maharashtra, India
Tel: +91 22 2270 2745/46/47
Fax: +91 22 2270 27035
Email: br.mumifb@allahabadbank.in
Website: www.allahbadbank.com
Contact Person: Mr. Arvind Mishra

The Shamrao Vithal Co-op Bank Limited
Natasha Plaza, Plot No. 913,
D.K. Sandhu Marg,
Chembur (East),
Mumbai - 400 071,
Maharashtra, India
Tel: +91 22 2523 5389
Fax: +91 22 2524 4617
Email: advaniki@svcbank.com
Website: www.svcbank.com
Contact Person: Mr. Kamal Advani

IDBI Bank Limited
IDBI Tower, WTC Complex,
Cuffe Parade,
Mumbai – 400 005
Maharashtra, India
Tel: +91 22 6655 2243
Fax: +91 22 2216 0785
Email: hk.thakur@idbi.co.in
Website: www.idbi.com
Contact Person: Smt. Hema K. Thakur

STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES AMONGST BRLMS

The following table sets forth the inter se allocation of responsibilities for various activities between Anand Rathi Advisors Limited ("ARAL") and IDBI Capital Market Services Limited ("IDBI Caps") as Book Running Lead Managers for the Issue:

Sr. No.	Activity	Responsibility	Co-ordination
1.	Capital Structuring with relative components and formalities such as type of instruments, etc.	ARAL / IDBI Caps	ARAL
2.	Due diligence of Company's operations / management / business plans / legal etc. Drafting and design of Red Herring Prospectus including memorandum containing salient features of the Prospectus. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, ROC and SEBI including finalisation of Prospectus and ROC filing.	ARAL / IDBI Caps	ARAL
3.	Drafting and approval of all statutory advertisement	ARAL / IDBI	ARAL

Sr. No.	Activity	Responsibility	Co-ordination
		Caps	
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in 3 above including corporate advertisement, brochure etc.	ARAL / IDBI Caps	IDBI Caps
5.	Appointment of other intermediaries viz., Registrar's, Printers, Advertising Agency, Bankers to the Issue	ARAL / IDBI Caps	ARAL
6.	Preparation of Road show presentation	ARAL / IDBI Caps	ARAL
7.	International Institutional Marketing strategy * Finalise the list and division of investors for one to one meetings, in consultation with the Company, and * Finalizing the International road show schedule and investor meeting schedules	ARAL / IDBI Caps	IDBI Caps
8.	Domestic institutions / banks / mutual funds marketing strategy * Finalise the list and division of investors for one to one meetings, institutional allocation in consultation with the Company. * Finalizing the list and division of investors for one to one meetings, and * Finalizing investor meeting schedules	ARAL / IDBI Caps	ARAL
9.	Non-Institutional and Retail marketing of the Issue, which will cover, inter alia, * Formulating marketing strategies, preparation of publicity budget * Finalise Media and PR strategy * Finalising centers for holding conferences for press and brokers * Follow-up on distribution of publicity and Issuer material including form, prospectus and deciding on the quantum of the Issue material	ARAL / IDBI Caps	ARAL
10.	Co-ordination with Stock Exchanges for Book Building Software, bidding terminals and mock trading.	ARAL / IDBI Caps	ARAL
11.	Finalisation of Pricing, in consultation with the Company	ARAL / IDBI Caps	ARAL
12.	The post bidding activities including management of escrow accounts, co-ordination of non-institutional allocation, intimation of allocation and dispatch of refunds to bidders etc. The post Offer activities for the Offer involving essential follow up steps, which include the finalisation of trading and dealing of instruments and demat of delivery of shares, with the various agencies connected with the work such as the registrar's to the Issue and Bankers to the Issue and the bank handling refund business. The merchant banker shall be responsible for ensuring that these agencies fulfil their functions and enable it to discharge this responsibility through suitable agreements with the Company.	ARAL / IDBI Caps	ARAL

The selection of various agencies like the Bankers to the Issue, Escrow Collection Bank(s), Syndicate Members, Brokers, Advertising agency etc. will be finalised by our Company in consultation with the BRLMs.

Even if many of these activities will be handled by other intermediaries, the BRLMs shall be responsible for ensuring that these agencies fulfill their functions and enable it to discharge this responsibility through suitable agreements with our Company.

CREDIT RATING

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

IPO GRADING

The IPO grading is assigned on a five point scale from 1 to 5 wherein an "IPO Grade 5" indicates strong fundamentals and "IPO Grade 1" indicates poor fundamentals. This Issue has been graded by two SEBI registered credit rating agencies i.e. Fitch Ratings India Private Limited and CRISIL Limited, and has been assigned the following IPO grading:

Fitch Ratings India Private Limited has assigned this Issue "FITCH IPO Grade 2/5" indicating below- average fundamentals through its letter dated March 21, 2011.

CRISIL Limited has assigned this Issue, "CRISIL IPO Grade 1/5" indicating poor fundamentals relative to other listed equity securities in India through its letter dated March 28, 2011, which is valid for a period of 60 days from March 28, 2011.

A copy of the report provided by Fitch Ratings India Private Limited and CRISIL Limited, furnishing the rationale for their grading have been annexed to the Red Herring Prospectus as Appendix A and Appendix B respectively, and will be made available for inspection at our Registered and Corporate Office from 10.00 a.m. to 4.00 p.m. on Working Days from the date of the Red Herring Prospectus until the Bid/Issue Closing Date.

EXPERTS

Except the report of Fitch Ratings India Private Limited and CRISIL Limited in respect of the IPO Grading of the Issue (a copy of which has been annexed to the Red Herring Prospectus) our Company has not obtained any other expert opinion.

TRUSTEES

As this is an Issue of Equity Shares, the appointment of Trustees is not required.

MONITORING AGENCY

A monitoring agency is not required to be appointed in terms of sub-regulation (1) of Regulation 16 of the SEBI ICDR Regulations.

PROJECT APPRAISAL

The objects of the Issue have not been appraised by any appraising entity.

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 Issue Price will be finalized after the Bid / Issue Closing Date. The principal parties involved in the Book Building Process are:

- Our Company,
- The Book Running Lead Managers,
- The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with BSE/NSE and eligible to act as Underwriters. The Syndicate Member will be appointed by the Book Running Lead Managers;
- The Registrar to the Issue;
- Self Certified Syndicate Banks through whom ASBA Bidders would subscribe in the Issue; and
- Escrow Collection Bank(s).

The SEBI ICDR Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein not more than 50% of the Issue shall be allotted on a proportionate basis to QIBs, of which 5% (excluding Anchor Investor Portion) shall be reserved for Mutual Funds. Upto 30% of the QIB Portion shall be available for allocation to Anchor Investors at the Anchor Investor Issue Price on a discretionary basis and one-third of the Anchor Investor Portion shall be available for allocation to domestic Mutual Funds. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the 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. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange. Our Company will comply with the SEBI ICDR Regulations for the Issue. In this regard, our Company has appointed the Book Running Lead Managers to procure subscriptions to the Issue.

In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion are not allowed to withdraw their Bid(s) after the Bid/Issue Closing Date. **Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Period.** Allocation to the Anchor Investors will be on a discretionary basis. For further details, please refer chapter titled "*Terms of the Issue*" beginning on page 286 of the Red Herring Prospectus.

All the Bidders have the option to submit their Bids under the "ASBA" process, which would entail blocking of funds in the investor's bank account rather than immediate transfer of funds to the respective Escrow Accounts.

We will comply with the SEBI ICDR Regulations and any other ancillary directions issued by SEBI for the Issue. In this regard, we have appointed Anand Rathi Advisors Limited and IDBI Capital Market Services limited as the Book Running Lead Managers to manage the Issue and procure subscriptions to the Issue.

Investors are advised to make their own judgment about investment through the ASBA process prior to submitting an ASBA Bid cum Application Form to a SCSB.

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

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of equity shares is the price at which the book cuts off, i.e., ₹ 22 in the above example. The issuer, in consultation with the BRLMs will finalise the Issue Price at or below such cut-off price, i.e., at or below ₹ 22. All Bids at or above the 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 "*Issue Procedure – Who Can Bid?*" on page 294 of the 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 and the ASBA Bid cum Application Form, as the case may be.

3. Except for Bids on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the courts, for Bids of all values, ensure that you have mentioned your PAN allotted under the I.T. Act in the Bid cum Application Form or the ASBA Bid cum Application Form (see "*Issue Procedure – Other Instructions – PAN*" on page 313 of the Red Herring Prospectus):

4. Ensure that the Bid cum Application Form or ASBA Bid cum Application Form is duly completed as per instructions given in the Red Herring Prospectus and in the Bid cum Application Form or ASBA Bid cum Application Form; and

5. Ensure the correctness of your demographic details (as defined in the "*Issue Procedure – Bidder's Depository Account and Bank Account Details*" on page 308) given in the Bid cum Application Form or the ASBA Bid cum Application Form, as the case may be, with the details recorded with your Depository Participant.

6. Bids by QIBs (including Anchor Investors) will only have to be submitted to the BRLMs and / or its affiliates or to the Syndicate Member(s), other than Bids by QIBs who Bid through the ASBA process who shall submit the Bids to the Designated Branch of the SCSBs; and

7. Bids by ASBA Bidders will have to be submitted to the Designated Branches of the SCSBs. ASBA Bidders should ensure that their bank accounts have adequate credit balance at the time of submission to the SCSB to ensure that the ASBA Bid cum Application Form is not rejected.

Withdrawal of the Issue

Our Company, in consultation with the BRLMs reserves the right not to proceed with the Issue at any time, after the Bid/Issue Opening Date, but before Allotment of Equity Shares. 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 / deciding not to proceed with the Issue, providing reasons for not proceeding with the Issue. Our Company shall also promptly inform the same to the stock exchanges on which our Equity Shares are proposed to be listed. Any further issue of Equity Shares by our Company shall be in compliance with applicable laws. If the Issue is withdrawn after the Bid / Issue Closing date, our Company shall be required to file a fresh offer document with SEBI. The BRLMs, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one day from the day of receipt of such notification.

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

Bid/Issue Programme

BID / ISSUE OPENS ON	May 09, 2011*
BID / ISSUE CLOSES ON	May 12, 2011

*Our Company may, in consultation with the Book Running Lead Managers, allocate upto 30% of the QIB Portion, to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. Anchor Investors shall bid on the Anchor Investor Bidding Date, which shall be one Working Day prior to the Bid Opening Date.

Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 5.00 p.m**. (Indian Standard Time) during the Bidding Period as mentioned above at the bidding centers mentioned in the Bid cum Application Form or, in case of Bids submitted through ASBA, the Designated Branches of the SCSBs. On the Bid/Issue Closing Date, Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) (excluding the ASBA Bidders). **On the Bid/Issue Closing Date, Bids (excluding ASBA Bidders) shall be uploaded until** (i) 4.00 p.m. in case of Bids by QIB Bidders and Non-Institutional Bidders; and (ii) until 5.00 p.m or until such time as permitted by the BSE and NSE in case of Bids by Retail

Individual Bidders. It is clarified that Bids not uploaded in the book, would be rejected. Bids by ASBA Bidders shall be uploaded by the SCSB in the electronic system to be provided by the BSE and NSE.

In case of discrepancy of data between the Stock Exchanges and the Designated Branches of the SCSBs, the decision of the Registrar to the Issue, in consultation with the BRLMs, our Company and the Designated Stock Exchange, based on the physical / electronic records, as the case may be, of the ASBA Bid cum Application Forms shall be final and binding on all concerned. Further, the Registrar to the Issue may ask for rectified data from the SCSB.

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 Closing Date and, in any case, no later than 1.00 p.m (Indian Standard Time) on the Bid Closing Date. Bidders are cautioned that in the event a large number of Bids are received on the Bid Closing Date, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded will not be considered for allocation in the Issue. If such Bids are not uploaded, our Company, the BRLMs and the Syndicate Members shall not be responsible. Bids will be accepted only on working days, i.e. Monday to Friday (excluding any public holiday).

On the Bid/ Issue Closing Date, extension of time will be granted by the Stock Exchanges only for uploading the Bids received from Retail Individual Bidders, after taking into account the total number of Bids received upto the closure of timings for acceptance of Bid cum Application Forms and ASBA Bid cum Application Forms as stated herein and reported by the BRLMs to the Stock Exchanges within half an hour of such closure.

Our Company, in consultation with the BRLMs, reserves the right to revise the Price Band during the Bidding Period in accordance with the SEBI ICDR Regulations. The Cap Price shall be less than or equal to 120% of the Floor Price. Subject to compliance with the immediately preceding sentence, the Floor Price can be revised up or down to a maximum of 20% of the Floor Price as originally disclosed at least two working days prior to the Bid /Issue Opening Date and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Bidding Period will be extended for three additional Working Days after revision of the Price Band subject to the Bidding Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bidding Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the website of the BRLMs and at the terminals of the members of the Syndicate. In the event of any revision in the Price Band, whether upwards or downwards, the minimum application size shall remain [•] Equity Shares subject to the Bid Amount payable on such minimum application being in the range of ₹ 5,000 to ₹ 7,000.

UNDERWRITING AGREEMENT

After the determination of the Issue Price and Allocation of our Equity Shares but prior to filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. It is proposed that pursuant to the terms of the Underwriting Agreement, the BRLMs shall be responsible for bringing in the amount devolved in the event that their respective Syndicate Members do not fulfil their underwriting obligations. The underwriting shall be to the extent of the Bids uploaded by the Underwriters including through its Syndicate/Sub Syndicate. The Underwriting Agreement is dated [•], and has been approved by our Board of Directors / committee thereof. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

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

Name and Address of the Underwriter	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (₹in lacs)
Anand Rathi Advisors Limited 11th Floor, Times Tower, Kamala City, Senapati Bapat Marg,	[•]	[•]

Lower Parel, Mumbai 400 013, Maharashtra, India		
IDBI Capital Markets Services Limited 5th Floor, Mafatlal Centre, Nariman Point, Mumbai – 400 021 Maharashtra, India	[●]	[●]
Total	**[●]**	**[●]**

The above mentioned would be finalized after the pricing and actual allocation of the Equity Shares is determined.

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

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the BRLMs and the Syndicate Member(s) shall be responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the underwriting agreement, will also be required to procure/subscribe to Equity Shares to the extent of the defaulted amount. If the Syndicate Member(s) fails to fulfil its underwriting obligations as set out in the Underwriting Agreement, the BRLMs shall fulfill the underwriting obligations in accordance with the provisions of the Underwriting Agreement.

The underwriting arrangements mentioned above shall not apply to the subscriptions by the ASBA Bidders in the Issue. The underwriting agreement shall list out the role and obligations of each Syndicate Member.

CAPITAL STRUCTURE

The capital structure of our Company as on the date of filing of the Red Herring Prospectus is as set forth below:

	Equity Share Capital as on the date of filing of the Red Herring Prospectus	Amount in ₹	
		Aggregate value at nominal value	Aggregate value at Issue Price
A.	**Authorised Capital**		
	3,00,00,000 Equity Shares of ₹ 10 each	30,00,00,000	
B.	**Issued, Subscribed and Paid-Up Capital before the Issue**		
	75,76,667 Equity Shares of ₹ 10 each	7,57,66,670	
C.	**Present Issue in terms of the Red Herring Prospectus**		
	Public Issue of 50,00,000 Equity Shares of ₹ 10 each at a price of ₹ [●] of our Company	5,00,00,000	[●]
D.	**Issued, Subscribed and Paid-Up Capital after the Issue**		
	1,25,76,667 Equity Shares of ₹ 10 each	12,57,66,670	[●]
E.	**Securities Premium Account**		
	Before the Issue	68,29,33,420	
	After the Issue(1)	[●]	

(1) *The securities premium account after the Issue will be determined after Book Building Process.*

Details of changes in authorised share capital since incorporation

Sr. No.	Particulars of increase/change	Cumulative number of Equity Shares	Cumulative authorised capital	Date of shareholders' meeting	AGM/ EGM
1.	Incorporation	10,000	1,00,000	-	-
2.	Increase from ₹ 1 lac to ₹ 200 lac	20,00,000	2,00,00,000	June 28, 2007	EGM
3.	Increase from ₹ 200 lac to ₹ 600 lac	60,00,000	6,00,00,000	January 17, 2008	EGM
4.	Increase from ₹ 600 lac to ₹ 2,000 lac	2,00,00,000	20,00,00,000	September 17, 2009	EGM
5.	Increase From ₹ 2,000 lac To ₹ 3,000 lac	3,00,00,000	30,00,00,000	April 19, 2010	EGM

Notes to the Capital Structure

1. **Equity Share capital history of our Company**

Date of Allotment of the Equity Shares	No. of Equity Shares	Cumulative number of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of payment / consideration	Reasons for Allotment	Cumulative Paid -up Capital (₹)	Cumulative security premium (₹)
January 03, 2006	10,000	10,000	10	10	Cash	Subscribers to Memorandum	1,00,000	NIL
February 29, 2008	19,90,000	20,00,000	10	10	Cash	Further allotment[1]	2,00,00,000	NIL
March 30, 2009	29,50,000	49,50,000	10	10	Cash	Further allotment[2]	4,95,00,000	NIL
March 23, 2010	8,26,667	57,76,667	10	270	Cash	Further	5,77,66,670	21,49,33,420

						allotment[3]		
August 11, 2010	18,00,000	75,76,667	10	270	Cash	Further allotment[4]	7,57,66,670	68,29,33,420

[1]7,96,000 Equity Shares were allotted to Finaventure Advisory Services (India) Private Limited and 11,94,000 Equity Shares were allotted to our Promoter, Dr. Kannan K. Vishwanath.

[2]29,50,000 Equity Shares were allotted to our Promoter, Dr. Kannan K. Vishwanath.

[3]6,00,000 and 2,26,667 Equity Shares were allotted to our Promoters, Aasda Life Care Limited (previously known as Finaventure Capital Limited) and Dr. Kannan K. Vishwanath respectively.

[4]18,00,000 Equity Shares were allotted to our Promoter, Dr. Kannan K. Vishwanath.

2. None of the Equity Shares have been issued for consideration other than cash by our Company.

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

4. Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

5. Except as stated below, our Company has not made any issue of Equity Shares during preceding one year.

Date of Issue	Name of the Persons	No. of Equity Shares	Issue Price (₹)	Whether part of promoter group
March 23, 2010	Aasda Life Care Limited	6,00,000	270	YES
	Dr. Kannan K. Vishwanath	2,26,667	270	YES
August 11, 2010	Dr. Kannan K. Vishwanath	18,00,000	270	YES

6. Our Company presently does not have any intention or proposal to alter its capital structure for a period of six months from the date of opening of the Issue, by way of split/ consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise, except that if we acquire companies / business or enter into joint venture(s), we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.

7. **Details of Build up, Contribution and Lock-In of Promoters and Promoter Group**

(a) **Capital built up of Promoters as on date of filing of the Red Herring Prospectus**

Name of the Promoter	Date of Allotment / acquisition / transaction and when made fully paid up	Nature of acquisition (Allotment/ transfer)	Number of Equity Shares	Face value per Equity Share (in ₹)	Issue/ transfer price per Equity Share (in ₹)	Consideration (cash other than cash)	% of pre-Issue share capital	% of post-Issue share capital
Aasda Life Care Limited# (A)	December 03, 2009	Transfer	49,50,000	10	-	Other than cash	65.33	39.36
	March 23, 2010	Further Allotment	6,00,000	10	270	Cash	7.92	4.77
	July 30, 2010	Transfer (Sale)	(50)	10	10	Cash	Negligible	Negligible
	TOTAL (A)		**55,49,950**				**73.25%**	**44.13%**
Dr. Kannan K. Vishwanath (B)	January 03, 2006	Subscribers to Memorandum	5,000	10	10	Cash	0.07	0.04
	July 14, 2007	Transfer (Purchase)	1,000	10	10	Cash	0.01	0.01
	February 29, 2008	Further Allotment	11,94,000	10	10	Cash	15.76	9.49
	March 30, 2009	Further Allotment	29,50,000	10	10	Cash	38.94	23.46
	July 30, 2009	Transfer (Sale)	(8,03,000)	10	10	Cash	(10.60)	(6.38)
	December 3, 2009	Transfer	(33,47,000)	10	-	Other than Cash*	(44.18)	(26.61)
	March 23, 2010	Further Allotment	2,26,667	10	270	Cash	2.99	1.80
	August 11, 2010	Further Allotment	18,00,000	10	270	Cash	23.76	14.31
	TOTAL (B)		**20,26,667**				**26.75%**	**16.11%**
	TOTAL (A) + (B)		**75,76,617**				**100.00%**	**60.24%**

Dr. Kannan K. Vishwanath holds 40 Equity Shares as a nominee of Aasda Life Care Limited.

*49,50,000 Equity Shares were transferred to Aasda Life Care Limited from Universal Medikit Private Limited, Universal Medicament Private Limited and our Promoter Dr. Kannan K. Vishwanath being 9,10,000 Equity Shares, 6,93,000 Equity Shares and 33,47,000 Equity Shares respectively. For further details please refer chapter titled "*Our Promoters and Their Background*" beginning on page 176 of the Red Herring Prospectus.

(b) Details of Promoters contribution locked in for three years.

In terms of Regulation 32 and 33 of the SEBI ICDR Regulations following are the details of minimum Promoters' Contribution which will be locked in for a period of three years.

Name of the Promoter	Date of Allotment and date when made fully paid up	Nature of acquisition (Allotment/ transfer)	Number of Equity Shares locked-in	Face value (in ₹)	Issue/ transfer (in ₹)	Consideration (cashother than cash)	% of post-Issue paid-up Capital
Aasda Life Care Limited# (A)	March 23, 2010	Further allotment	6,00,000	10	270	Cash	4.77%
	TOTAL(A)		**6,00,000**				**4.77%**
Dr. Kannan K. Vishwanath (B)	March 23, 2010	Further allotment	1,50,000	10	270	Cash	1.19%
	August 11, 2010	Further allotment	18,00,000	10	270	Cash	14.31%
	TOTAL(B)		**19,50,000**				**15.50%**
	TOTAL (A)+(B)		**25,50,000**				**20.28%**

Dr. Kannan K. Vishwanath holds 40 Equity Shares as a nominee of Aasda Life Care Limited

Note:

At least 20% of the post-Issue paid-up equity share capital, as determined after the Book-Building Process from the above mentioned Promoters i.e., Dr. Kannan K. Vishwanath and Aasda Life Care Limited, would be locked-in for a period of three years from the date of allotment in the present Issue.

The minimum Promoter's contribution has been brought to the extent of not less than the specified minimum lot and from persons defined as Promoter under the SEBI ICDR Regulations. Specific written consent has been obtained from Dr. Kannan K. Vishwanath and Aasda Life Care Limited whose Equity Shares form part of minimum Promoters' Contribution, to lock-in their Equity Shares for a period of three years to ensure minimum Promoter's contribution to the extent of 20% of the post-Issue paid-up capital of our Company.

Certain securities have been acquired by our Promoters in our Company by way of fresh allotment in the preceding one year. Some of those securities constitutes as a part of minimum Promoters contribution. In case the securities acquired by the Promoters during the preceding one year is at a price lower than the price at which the specified securities are being offered to the public through the IPO, the Promoters shall pay to the our Company the difference between the price at which the specified securities are offered in the IPO and the price at which the specifies securities were acquired. Further the same shall be brought in at least a day prior to the date of opening of the Issue and shall be kept in an escrow account in a scheduled commercial bank and shall be released to our Company along with the release of Issue Proceeds.

All the Equity Shares which have been locked-in are not ineligible for computation of minimum Promoters' contribution under Regulation 33 of the SEBI ICDR Regulations.

Other than the Equity Shares locked-in as Promoter's Contribution for a period of three years as stated in the table above, the entire pre-Issue capital of our Company including the excess of minimum Promoters' Contribution, as per Regulation 36 and 37 of the SEBI ICDR Regulations, shall be locked in for a period of one year from the date of Allotment of Equity Shares in the Issue. Further, any Equity Shares allotted to Anchor Investors in the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

8. **We confirm that the Equity Shares being included in the minimum Promoters' contribution of 20% which is subject to lock-in for three years do not consist of:**

- Equity Shares acquired three years before the filing of the Draft Red Herring Prospectus with SEBI for consideration other than cash and revaluation of assets or capitalisation of intangible assets, involved in such transactions or resulting from a bonus issue by utilization of revaluation reserves or unrealised profits of our Company or from bonus issue against Equity Shares which are ineligible for minimum Promoters' contribution;
- Securities acquired by our Promoters during the preceding one year, at a price lower than the price at which Equity Shares are being offered to the public in the Issue;
- Equity Shares issued to our Promoters on conversion of partnership firms into limited company;
- Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the minimum Promoter's contribution subject to lock-in;
- Pledged Equity Shares held by our Promoters.

In terms of undertaking executed by our Promoters, Equity Shares forming part of Promoter's contribution subject to lock in will not be disposed/ sold/ transferred by our Promoters during the period starting from the date of filing of the Red Herring Prospectus with RoC till the date of commencement of lock in period as stated in the Red Herring Prospectus.

9. **The Aggregate Shareholding of our Promoter Group as on the date of filing of the Red Herring Prospectus is a follows:**

Sr. No.	Name	Number of Equity Shares	% of Pre-Issue Equity Share Capital	% of Post-Issue Equity Share Capital
	Promoter Group			
1.	Aasda Life Care Limited*#	55,49,950	73.25%	44.13%
2.	Dr. Kannan K. Vishwanath	20,26,667	26.75%	16.11%
3.	Mr. Kashi Vishwanathan	10	Negligible	Negligible
4.	Ms. Divya K. Vishwanath	10	Negligible	Negligible
	TOTAL	**75,76,637**	**100.00%**	**60.24%**

* Also our corporate Promoter
# Dr. Kannan K. Vishwanath holds 40 Equity Shares as a nominee of Aasda Life Care Limited

10. **The following Directors of Aasda Life Care Limited, hold shares in our Company as on the date of filing of the Red Herring Prospectus:**

Sr. No.	Name	Number of Equity Shares	% of Pre-Issue Equity Share capital	% of Post-Issue Equity Share capital
	Directors of Aasda Life Care Limited			
1.	Mr. Kashi Vishwanathan	10	Negligible	Negligible
2.	Dr. Kannan K. Vishwanath	20,26,667	26.75%	16.11%
3.	Dr. Ullooppee S. Badade	NIL	-	-
4.	Mr. Balkrishna Parab	NIL	-	-
5.	Mr. Giridhar G. Pulleti	NIL	-	-
	TOTAL	**20,26,677**	**26.75%**	**16.11%**

11. **Shareholding pattern of our Company prior and post the Issue**

Category Code	Category of Shareholder	No. of Shareholders	Total no. of shares	No. of shares held in de materialized form	Total shareholding as a percentage of total number of shares (Pre-Issue)		Total Number of shares	Shares Pledged or otherwise encumbured		Total Shareholding as a % of total number of shares (Post-Issue)	
					As a % of (A + B)	**As a % of (A+B+C)**		**No. of Shares**	**As a %**	**As a % of (A + B)**	**As a % of (A+B+C)**
(A)	**Shareholding of promoter and promoter group**										
(1)	**Indian**										
(a)	Individuals/Hindu undivided Family	3	20,26,687	20,26,667	26.75	26.75	20,26,687	-	-	16.11	16.11
(b)	Central Government/State Government(s)	-	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate#	1	55,49,950	55,49,910	73.25	73.25	55,49,950	-	-	44.13	44.13
(d)	Financial Institutions/Banks	-	-	-	-	-	-	-	-	-	-
(e)	Any other	-	-	-	-	-	-	-	-	-	-
	Sub-Total (A) (1)	**4**	**75,76,637**	**75,76,577**	**100.00**	**100.00**	**75,76,637**	**-**	**-**	**60.24**	**60.24**
(2)	**Foreign**										
(a)	Individuals (Non Resident Individuals/Foreign Individuals)	-	-	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-	-
(d)	Any Other	-	-	-	-	-	-	-	-	-	-
	Sub-Total (A) (2)	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	-	-	-	-	-
	Total Shareholding of Promoter and promoter group (A)=(A)(1)+(A)(2)	**4**	**75,76,637**	**75,76,577**	**100.00**	**100.00**	**75,76,637**	**-**	**-**	**60.24**	**60.24**

Category Code	Category of Shareholder	No. of Shareholders	Total no. of shares	No. of shares held in de materialized form	Total shareholding as a percentage of total number of shares (Pre-Issue)		Total Number of shares	Shares Pledged or otherwise encumbured		Total Shareholding as a % of total number of shares (Post-Issue)	
(B)	**Public Shareholding**										
(1)	**Institutions**										
(a)	Mutual Funds/UTI	-	-	-	-	-		-	-		
(b)	Financial Institutions/Banks	-	-	-	-	-		-	-		
(c)	Central Government/State Government(s)	-	-	-	-	-		-	-		
(d)	Venture Capital Funds	-	-	-	-	-		-	-		
(e)	Insurance Companies	-	-	-	-	-		-	-		
(f)	Foreign Institutional Investor	-	-	-	-	-		-	-		
(g)	Foreign Venture Capital Investors	-	-	-	-	-		-	-		
(h)	Any Other	-	-	-	-	-		-	-		
	Sub Total (B)(1)	-	-	-	-	-		-	-		
(2)	Non Institutions	-	-	-	-	-		-	-		
(a)	Bodies Corporate	NIL	NIL	NIL	NIL	NIL		-	-		
(b)	Individuals- i) Individual shareholders holding nominal share capital up to ₹ 1 lac	3	30	-	Negligible	Negligible	50,00,030	-	-	39.76	39.76
	ii)Individual shareholders holding nominal share capital in excess of ₹ 1 lac	-	-	-	-	-		-	-		
(c)	Any other	-	-	-	-	-					

Category Code	Category of Shareholder	No. of Shareholders	Total no. of shares	No. of shares held in dematerialized form	Total shareholding as a percentage of total number of shares (Pre-Issue)		Total Number of shares	Shares Pledged or otherwise encumbured		Total Shareholding as a % of total number of shares (Post-Issue)	
	Sub Total (B)(2)	**3**	**30**	**-**	**Negligible**	**Negligible**		**-**	**-**		
	Total Public shareholding (B)= (B)(1) + (B)(2)	**3**	**30**	**-**	**Negligible**	**Negligible**	**50,00,030**	**-**	**-**	**39.76**	**39.76**
	Total (A) + (B)	**7**	**75,76,667**	**75,76,577**	**100.00**	**100.00**	**1,25,76,667**	**-**	**-**	**100.00**	**100.00**
(C)	Shares held by Custodians and against which Depository Receipts have been issued	NIL	NIL	NIL	NIL	NIL	-	-	-	-	-
(1)	Promoter and Promoter Group	NIL	NIL	NIL	NIL	NIL	-	-	-	-	-
(2)	Public	NIL	NIL	NIL	NIL	NIL	-	-	-	-	-
	Grand Total (A)+(B)+(C)	**7**	**75,76,667**	**75,76,577**	**100.00**	**100.00**	**1,25,76,667**	**-**	**-**	**100.00**	**100.00**

Dr. Kannan K. Vishwanath holds 40 Equity Shares as a nominee of Aasda Life Care Limited

12. In terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by persons other than Promoters may be transferred to any other person holding Equity Shares prior to the Issue, subject to continuation of lock-in with transferees for the remaining period and compliance with the SEBI Takeover Regulations, as applicable.

13. Equity Shares held by our Promoters which will be locked in as per the provisions of Regulation 36 of the SEBI ICDR Regulations, may be transferred to and amongst Promoters/ Group Entities or to a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as applicable. Such locked-in Equity Shares held by our Promoters can be pledged only with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the following:

   - If the specified securities which will be locked-in are in terms of sub-regulation (a) of Regulation 36 of the SEBI ICDR Regulations, the loan has been granted by such bank or institution for the purpose of financing one or more of the objects of the issue and pledge of specified securities is one of the terms of sanction of the loan;
   - If the specified securities which will be locked-in in terms of sub-regulation (b) of Regulation 36 of the SEBI ICDR Regulations and the pledge of specified securities is one of the terms of sanction of the loan.

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

(a) Particulars of the top ten shareholders as on the date of filing the Red Herring Prospectus with RoC.

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
1.	Aasda Life Care Limited#	55,49,950	73.25%
2.	Dr. Kannan K. Vishwanath	20,26,667	26.75%
3.	Mr. Kashi Vishwanathan	10	Negligible
4.	Mr. Prabhat K. Goyal	10	Negligible
5.	Ms. Divya K. Vishwanath	10	Negligible
6.	Mr. Shashikant B. Shinde	10	Negligible
7.	Mr. Chandulal C. Shah	10	Negligible
	Total	**75,76,667**	**100.00%**

Dr. Kannan K. Vishwanath holds 40 Equity Shares as a nominee of Aasda Life Care Limited

(b) Particulars of top ten shareholders ten days prior to the date of filing the Red Herring Prospectus with RoC.

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
1.	Aasda Life Care Limited#	55,49,950	73.25%
2.	Dr. Kannan K. Vishwanath	20,26,667	26.75%
3.	Mr. Kashi Vishwanathan	10	Negligible
4.	Mr. Prabhat K. Goyal	10	Negligible
5.	Ms. Divya K. Vishwanath	10	Negligible
6.	Mr. Shashikant B. Shinde	10	Negligible
7.	Mr. Chandulal C. Shah	10	Negligible
	Total	**75,76,667**	**100.00%**

Dr. Kannan K. Vishwanath holds 40 Equity Shares as a nominee of Aasda Life Care Limited

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

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
1.	Dr. Kannan K. Vishwanath	41,50,000	83.83%
2.	Finaventure Advisory Services (India) Private Limited	7,96,000	16. 09%
3.	Mr. Deepak B. Shenoy	4,000	0.08%
	Total	**49,50,000**	**100.00%**

15. The Equity Shares, which are subjected to lock-in, shall carry the inscription “non-transferable” and the non transferability details shall be informed to the depository. The details of lock-in shall also be provided to the Stock Exchanges before the listing of the Equity Shares.

16. The Equity Shares held by persons other than Promoters may be transferred to any other person holding Equity Shares prior to the Issue, subject to continuation of lock-in with transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as applicable.

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

18. During the six months preceding the date of filing Red Herring Prospectus with RoC , there are no transactions in our Equity Shares, which have been purchased/ (sold) by our Promoters, persons in promoter group or by the directors of our Promoter Company or by the Directors of our Company and their immediate relatives (as defined under sub-clause (zb) sub-regulation (1) Regulation 2 of the SEBI (ICDR) Regulations, 2009) or the Directors of our Company except as mentioned below:

Name	No. of Equity Shares	Date of Transaction	Price per Equity Share (₹)	Transferor/Transferee
Mr. Prabhat K. Goyal	10	November 29, 2010	10	Mr. Mani S. Iyer

19. None of the persons/entities comprising our Promoter Group, or our Directors or their relatives, or the Directors of Aasda Life Care Limited 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 Red Herring Prospectus with RoC.

20. We have neither revalued our assets nor issued any Equity Shares out of revaluation reserves since incorporation.

21. In the case of over-subscription in all categories, not more than 50% of the Issue shall be available for allocation on a proportionate basis to QIBs, 5% of the Net QIB Portion shall be reserved for Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion of the Net QIB Portion will also be eligible for allocation in the remaining QIB Portion. Upto 30% of the QIB Portion shall be available for allocation to Anchor Investors and one-third of the Anchor Investor Portion shall be available for allocation to domestic Mutual Funds. Under subscription, if any, in the Mutual Funds portion will be met by a spillover from the QIB Portion and be allotted proportionately to the QIB Bidders. Further, not less than 15% of Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35% of 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.

22. Our Company may allocate up to 30% of the QIB Portion to Anchor Investors at the Anchor Investor Price on a discretionary basis, out of which at least one-third will be available for allocation to domestic Mutual Funds only. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, subject to valid Bids being received from them at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 1,25,000 Equity Shares, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIBs in proportion to their Bids.

23. Undersubscription, if any, in any category, would be met with spill over from any other categories or combination of categories at the discretion of our Company in consultation with the BRLMs and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.

24. The Equity Shares offered through this public issue shall be made fully paid-up or maybe forfeited within 12 months from the date of allotment of securities in the manner specified in Regulation 17 of SEBI (ICDR) Regulations, 2009.

25. There would be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing the Red Herring Prospectus with RoCuntil the Equity Shares issued / proposed to be issued pursuant to the Issue have been listed.

26. As per the extant policy, OCBs are not permitted to participate in the Issue. Sub accounts of FIIs who are foreign corporates or foreign individuals are not QIBs, and hence cannot Bid in the QIB Portion in the Issue.

27. Our Company does not have any ESOS/ESPS scheme for our employees and we do not intend to allot any Equity Shares to our employees under ESOS/ESPS scheme 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 (Employee Stock Option Scheme and Employees Stock Purchase Plan) Guidelines 1999.

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

29. There shall be only one denomination of Equity Shares of our Company at any given time, unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be prescribed by SEBI from time to time.

30. A Bidder cannot make a Bid for more than the number of Equity Shares offered to the public through the Issue, subject to maximum limit of investment prescribed under relevant laws applicable to each category of investors.

31. Our Company has seven members as on the date of the Red Herring Prospectus.

32. Our Company has not made any public or rights issue of any class or kinds of securities since its incorporation.

33. No payment, direct or indirect, in the nature of discount, allowance, commission or otherwise, shall be made either by us or our Promoters to the persons who receives Allotments, if any, in the Issue.

34. None of our Directors or key managerial personnel hold Equity Shares of our Company, other than as follows:

Sr. No.	Name of the Directors/ Key Managerial Personnel	Number of Equity Shares	% of pre issue Equity Share capital
1.	Dr. Kannan K. Vishwanath	20,26,667	26.75%
2.	Mr. Kashi Vishwanathan	10	Negligible
3.	Mr. Shashikant B. Shinde	10	Negligible

35. The BRLMs and its associates do not hold any Equity Shares in our Company.

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

37. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of registering the Red Herring Prospectus with the RoC and the Bid/Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.

38. **Share Allotments/ Transfer history of Aanjaneya Lifecare Limited**

    a. Details of the subscribers to the Memorandum of Aanjaneya Lifecare Limited:

Appended below are the subscribers to the Memorandum of Aanjaneya Lifecare Limited:

Sr. No.	Name of Shareholders	No. of Shares	Issue/ Transfer Price (₹)	Face value (₹)	Reasons for Allotment
1	Dr. Kannan K. Vishwanath#	5,000	10	10	Subscription to Memorandum
2	Mrs. Laxmi Vishwanath#	5,000	10	10	Subscription to Memorandum

 # Dr. Kannan K. Vishwanath and Mrs. Laxmi Vishwanath paid the consideration out of his personal funds.

    b. Details of transfer of 5,000 equity shares by Mrs. Laxmi Vishwanath on July 14, 2007

Appended below are the details of transfer of 5000 equity shares by Mrs. Laxmi Vishwanath on July 14, 2007:

Sr. No.	Name of Transferee	No. of Shares	Issue/ Transfer Price (₹)	Face value (₹)	Reasons for transfer
1	Dr. Kannan K. Vishwanath#	1,000	10	10	Sale of Investment
2	Mr. Deepak Shenoy#	4,000	10	10	Sale of Investment

 # There was no valuation done for such transfer. Dr. Kannan K. Vishwanath paid the consideration out of his personal funds.

c. Details of allotment made on February 29, 2008 of 19,90,000 equity shares of Aanjaneya Lifecare Limited

Appended below are the details of the allotment made on February 29, 2008:

Sr. No.	Name of Shareholders	No. of Shares	Issue/ Transfer Price (₹)	Face value (₹)	Reasons for Allotment
1	Dr. Kannan K. Vishwanath#	11,94,000	10	10	Further allotment for growth of business
2	Finaventure Advisory Services (India) Pvt. Ltd.#	7,96,000	10	10	Further allotment for growth of business

 # The consideration for such subscription was paid by Dr. Kannan K. Vishwanath from the period May 2007 to February 2008. Dr. Kannan K. Vishwanath paid the consideration out of his personal funds

d. Details of allotment made on March 30, 2009 of 29,50,000 equity shares of Aanjaneya Lifecare Limited

Appended below are the details of the allotment made on March 30, 2009:

Sr. No.	Name of Shareholders	No. of Shares	Issue/ Transfer Price (₹)	Face value (₹)	Reasons for Allotment
1	Dr. Kannan K. Vishwanath#	29,50,000	10	10	Further allotment for growth of business

 # The consideration for such subscription was paid by Dr. Kannan K. Vishwanath from the period September 2008 to February 2009. Dr. Kannan K. Vishwanath paid the consideration out of his personal funds.

e. Details of transfer of 8,03,000 equity shares by Dr. Kannan K. Vishwanath on July 30, 2009

Appended below are the details of transfer of 8,03,000 equity shares by Dr. Kannan K. Vishwanath on July 30, 2009:

Sr. No.	Name of Transferee	No. of Shares	Issue/ Transfer Price (₹)	Face value (₹)	Reasons for transfer
1	Universal Medikit Private Limited#	8,03,000	10	10	Transfer

 # There was no valuation done for such transfer. The promoters and directors of Universal Medikit Private Limited as on the date of acquisition of shares in Aanjaneya Lifecare Limited were as follows:

Promoters: Mr. Sanjay Pandya and Mr. Nimesh Lal

Directors: Mr. Pravin L. Jahagirdar, Mr. Rajeev Jidewar, Mr. Zoeb Izzuddin, Mr. Nimesh Lal

f. Details of transfer of 1,03,000 equity shares by Finaventure Advisory Services (I) Private Limited on July 30, 2009

Appended below are the details of transfer of 1,03,000 equity shares by Finaventure Advisory Services (I) Private Limited on July 30, 2009:

Sr. No.	Name of Transferee	No. of Shares	Issue/ Transfer Price (₹)	Face value (₹)	Reasons for transfer
1	Universal Medikit Private Limited#	1,03,000	10	10	Sale of Investment

 # There was no valuation done for such transfer.

g. Details of transfer of 6,93,000 equity shares by Finaventure Advisory Services (I) Private Limited on July 30, 2009

Appended below are the details of transfer of 6,93,000 equity shares by Finaventure Advisory Services (I) Private Limited on July 30, 2009:

Sr. No.	Name of Transferee	No. of Shares	Issue/ Transfer Price (₹)	Face value (₹)	Reasons for transfer
1	Universal Medicament Private Limited#	6,93,000	10	10	Sale of Investment

 # There was no valuation done for such transfer. The promoters and directors of Universal Medicament Private Limited as on the date of acquisition of shares in Aanjaneya Lifecare Limited were as follows:

Promoters: Mr. Faiz Vali and family

Directors: Mr. Mr. Faiz Vali, Mr. Hakimuddin Rizvi and Mr. Mohammed Vali

h. Details of transfer of 4,000 equity shares by Mr. Deepak Shenoy on July 30, 2009

Appended below are the details of transfer of 4,000 equity shares by Deepak Shenoy on July 30, 2009:

Sr. No.	Name of Transferee	No. of Shares	Issue/ Transfer Price (₹)	Face value (₹)	Reasons for transfer
1	Universal Medikit Private Limited#	4,000	10	10	Sale of Investment

 # There was no valuation done for such transfer.

i. Details of transfer of 33,47,000 equity shares by Dr. Kannan K. Vishwanath, 9,10,000 shares by Universal Medikit Private Limited and 6,93,000 shares by Universal Medicament Pvt. Ltd. on December 03, 2009

Appended below are the details of transfer of 33,47,000 equity shares by Dr. Kannan K. Vishwanath, 9,10,000 shares by Universal Medikit Private Limited and 6,93,000 shares by Universal Medicament Pvt. Ltd. on December 03, 2009:

Sr. No.	Name of Transferor	Name of Transferee	No. of Shares	Issue/ Transfer Price (₹)	Face value (₹)	Reasons for transfer
1	Dr. Kannan K. Vishwanath	Aasda Life Care Limited *	33,47,000	(Other than cash)	10	Consideration towards allotment of shares of the Transferee to the Transferors
2	Universal# Medikit Private Limited#	Aasda Life Care Limited *	9,10,000	(Other than cash)	10	
3	Universal Medicament Pvt. Ltd.#	Aasda Life Care Limited *	6,93,000	(Other than cash)	10	

 # Valuation of the shares of Aanjaneya Lifecare Limited was done by M/s. Sunil Mistry & Co. Chartered Accountants who submitted his report on July 28, 2009.

**Valution of the shares of Aasda Life Care Limited was done by M/s. Hasmukh Shah & Associates, Chartered Accountants who submitted its report on August 08, 2009.*

j. Details of allotment made on March 23, 2010 of 6,00,000 equity shares of Aanjaneya Lifecare Limited

Appended below are the details of the allotment made on March 23, 2010:

Sr. No.	Name of Shareholders	No. of Shares	Issue/ Transfer Price (₹)	Face value (₹)	Reasons for Allotment
1	Aasda Life Care Limited#	6,00,000	270	10	Further allotment for growth of business

 # The consideration for such subscription was paid by Aasda Life Care Limited from the period September 2009 to March 2010. Aasda Life Care Limited paid the consideration out of their internal accruals and unsecured loan from Dr. Kanan Vishwanath.

k. Details of allotment made on March 23, 2010 of 2,26,667 equity shares of Aanjaneya Lifecare Limited

Appended below are the details of the allotment made on March 23, 2010:

Sr. No.	Name of Shareholders	No. of Shares	Issue/ Transfer Price (₹)	Face value (₹)	Reasons for Allotment
1	Dr. Kannan K. Vishwanath#	2,26,667	270	10	Further allotment for growth of business

 # The consideration for such subscription was paid by Dr. Kannan K. Vishwanath on December 2009 and March 2010. Dr. Kannan K. Vishwanath paid the consideration out of his personal funds and personal loans availed.

l. Details of transfer of 50 equity shares by Aasda Life Care Limited on July 30, 2010

Appended below are the details of transfer of 50 equity shares by Aasda Life Care Limited on July 30, 2010:

Sr. No.	Name of Transferee#	No. of Shares	Issue/ Transfer Price (₹)	Face value (₹)	Reasons for transfer
1	Mr. Kashi Vishwanathan	10	10	10	Transfer
2	Mr. Mani S. Iyer	10	10	10	Transfer
3	Ms. Divya Vishwanath	10	10	10	Transfer
4	Mr. Shashikant Shinde	10	10	10	Transfer
5	Mr. Chandulal C. Shah	10	10	10	Transfer

 # There was no valuation done for such transfer.

m. Details of allotment made on August 11, 2010 of 18,00,000 equity shares of Aanjaneya Lifecare Limited

Appended below are the details of the allotment made on August 11, 2010:

Sr. No.	Name of Shareholders	No. of Shares	Issue/ Transfer Price (₹)	Face value (₹)	Reasons for Allotment
1	Dr. Kannan K. Vishwanath#	18,00,000	270	10	Further allotment for growth of buiness.

 # The consideration for such subscription was paid by Dr. Kannan K. Vishwanath from the period August 02, 2010 to August 10, 2010. Dr. Kannan K. Vishwanath paid the consideration out of his personal funds and personal loans availed.

n. Details of transfer of 10 equity shares by Mr. Mani S. Iyer on November 29, 2010

Appended below are the details of transfer of 10 equity shares by Mr. Mani S. Iyer on November 29, 2010:

Sr. No.	Name of Transferee	No. of Shares	Issue/ Transfer Price (₹)	Face value (₹)	Reasons for transfer
1	Mr. Prabhat Kumar Goyal#	10	10	10	Sale of Investment

 # There was no valuation done for such transfer.

Our Company has complied with all necessary regulatory compliances for the above mentioned transfers and allotments. Other than the present shareholding of all the transferees/allottees mentioned herein above and to extent of the outstanding unsecured loans due to Dr. Kannak K. Vishwanath, Mr. Kashi Vishwanathan, Finaventure Advisory Services (I) Pvt. Ltd., license fee payable to Dr. Kannan K. Vishwanath for the use of the premises where the registered office our Company is situated, and salaries/remuneration payable to directors and employees of our Company, none of the transferees/allotees have any residual interest in Aanjaneya Lifecare Limited.

OBJECTS OF THE ISSUE

The present Issue is being made to raise the funds for the following purposes:

1. Setting up of Anti Cancer API Facility at Mahad, Maharashtra
2. Setting up of cGMP Block for APIs at Mahad, Maharashtra
3. Setting up of Intermediate API Block at Mahad, Maharashtra
4. Expansion of our existing Research and Development centre at Mahad and Pune, Maharashtra
5. Setting up of a Quality Control and Quality Assurance Block at Mahad, Maharashtra
6. Setting up of Product Development Laboratory at Mahad, Maharashtra
7. Setting up of Stores Building at Mahad, Maharashtra
8. Meeting the Expenses for Branding and Registration of our Products in the International Markets
9. General Corporate Purposes
10. Public Issue Expenses

(Collectively referred to herein as the 'Objects')

The other objects of the Issue also include creating a public trading market for the Equity Shares of our Company by listing them on BSE and NSE. We believe that the listing of our Equity Shares will enhance our visibility and brand name and enable us to avail of future growth opportunities.

The main object clause of Memorandum of Association of our Company enables us to undertake the existing activities and the activities for which the funds are being raised by us through the present Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

REQUIREMENT OF FUNDS AND MEANS OF FINANCE

The following table sets forth the requirement of funds and means of finance as estimated by our management:

Requirement of Funds

(₹ in lacs)

Sr. No.	Particulars	Amount
1.	Setting up of Anti Cancer API Facility at Mahad, Maharashtra	2,654.71
2.	Setting up of cGMP Block for APIs at Mahad, Maharashtra	1,479.53
3.	Setting up of Intermediate API Block at Mahad, Maharashtra	867.31
4.	Expansion of our existing Research and Development centre at Mahad and Pune, Maharashtra	1,908.44
5.	Setting up of a Quality Control and Quality Assurance Block at Mahad, Maharashtra	1,420.48
6.	Setting up of Product Development Laboratory at Mahad, Maharashtra	160.96
7.	Setting up of Stores Building at Mahad, Maharashtra	705.88
8.	Meeting the Expenses for Branding and Registration of our Products in the International Markets	1,000.00
9.	General Corporate Purposes	[●]*
	Gross proceeds to be raised through this Issue ("Issue Proceeds")	[●]*
10.	Public Issue expenses	[●]*
	Net proceeds of the Issue after deducting the Public Issue Expenses from the Issue Proceeds ("Net Proceeds")	[●]*

Means of Finance

(₹in lacs)

Sr. No.	Particulars	Amount
1.	Initial Public Offer	[●]*
	Total	[●]*

** To be finalised upon determination of the Issue Price.*

The entire Objects of the Issue will be funded through the Issue Proceeds. The shortfall, if any, will be met out of our existing identifiable internal accruals. Our net worth as on January 31, 2011 is ₹ 12,942.46 lacs. Since the entire requirements of the objects detailed above are intended to be funded from the Net Proceeds of the offer and existing identifiable internal accruals (if required), we confirm that there is no requirement for us to make firm arrangement of finance through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised through proposed Public Issue and existing identifiable internal accruals.

No part of the Issue Proceeds will be paid by us as consideration to our Promoters, Directors, key management personnel or companies promoted by our Promoters, except in the course of normal business.

The fund requirement and deployment are based on internal management estimates, vendor quotations and have not been appraised by any bank or financial institution or any independent organisation. In case of any variations in the actual utilization of funds earmarked for the above activities, increased fund deployment for a particular activity may be met with by surplus funds, if any available in our Company's internal accrual, and/ or debt that may be availed from the Banks/ Financial Institutions. These estimates are subject to change taking into consideration variations in costs and other external factors which may not be within our control or as a result of changes in our financial condition, business or strategy. Our management will have the discretion to revise our business plans from time to time and consequently our funding requirements and deployment of funds may also change. This may result in rescheduling the proposed utilisation of the proceeds and increasing or decreasing expenditure for a particular object vis-a-vis the utilisation of the proceeds. For instance, we may also reallocate expenditure to the other activities, in the case of delays in our existing plans or proposed activities. Any such change in our plans may require rescheduling of our expenditure, programs, starting projects or capital expenditure programs which are not currently planned, discontinuing existing plans or proposed activities and an increase or decrease in the capital expenditure programs for the objects of the Issue, at the discretion of our Company.

However, any changes in "Objects of the Issue", other than those specified herein, post-listing of the Equity Shares shall be subject to compliance with the Companies Act and such regulatory and other approvals and disclosures, as may be applicable.

Appraisal

Our Company has not got its proposed requirements of funds as detailed in this chapter appraised by any bank or financial institution.

Second hand machinery

We do not intend to utilize the Issue Proceeds for any purchases of second hand machinery or equipment.

Bridge financing facilities

We have not raised any bridge loan against the Proceeds of the Issue.

Schedule of Implementation

The detailed schedule of implementation of our Objects is as follows:

Sr. No	Activity	Original schedule	
		Month and year of commencement	Expected month and year of completion
1.	**Setting up of Anti Cancer Facility at Mahad, Maharashtra**		
	Building and Civil Works	April, 2011	December, 2011
	Plant and Machinery	June, 2010	November, 2011
	Erection and Commissioning	December, 2011	February, 2012

Sr. No	Activity	Original schedule	
		Month and year of commencement	Expected month and year of completion
	Trail Run Production	February, 2012	March, 2012
	Commercial Production	-	April, 2012
2.	**Setting up of cGMP Block at Mahad, Maharashtra**		
	Building and Civil Works	December, 2010	May, 2011
	Plant and Machinery	December, 2010	May, 2011
	Erection and Commissioning	May, 2011	July, 2011
	Trail Run Production	July, 2011	August, 2011
	Commercial Production	-	September, 2011
3.	**Setting up of Intermediate API Block at Mahad, Maharashtra**		
	Building and Civil Works	May, 2011	December, 2011
	Plant and Machinery	July, 2011	November, 2011
	Erection and Commissioning	December, 2011	February, 2012
	Trail Run Production	February, 2012	March, 2012
	Commercial Production	-	April, 2012
4.	**Expansion of our existing Research and Development centre at Mahad and Pune, Maharashtra**	May, 2011	December, 2011
5.	**Setting up of a Quality Control and Quality Assurance Block at Mahad, Maharashtra**	May, 2011	December, 2011
6.	**Setting up of Product Development Laboratory at Mahad, Maharashtra**	May, 2011	December, 2011
7.	**Setting up of Stores Building at Mahad, Maharashtra**	May, 2011	December, 2011
8.	**Meeting the Expenses for Branding and Registration of our Products in the International Markets**	May, 2011	March, 2013

Details of fund deployment

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

(₹ in lacs)

Sr. No.	Particulars	Amount Deployed till FY 2011	Amount to be deployed FY 2012	Amount to be deployed FY 2013	Amount Total
1.	Setting up of Anti Cancer Facility at Mahad, Maharashtra	-	2654.71	-	**2654.71**
2.	Setting up of cGMP Block at Mahad, Maharashtra	819.72	659.81	-	**1479.53**
3.	Setting up of Intermediate API Block at Mahad, Maharashtra	-	867.31	-	**867.31**
4.	Expansion of our existing Research and Development centre at Mahad and Pune, Maharashtra	-	1908.44	-	**1908.44**
5.	Setting up of a Quality Control and Quality Assurance Block at Mahad, Maharashtra	-	1420.48	-	**1420.48**
6.	Setting up of Product Development Laboratory at Mahad, Maharashtra	-	160.96	-	**160.96**
7.	Setting up of Stores Building at Mahad, Maharashtra	-	705.88	-	**705.88**
8.	Meeting the Expenses for Branding and Registration of our Products in the	-	450.00	550.00	**1000.00**

Sr. No.	Particulars	Amount Deployed till FY 2011	Amount to be deployed FY 2012	Amount to be deployed FY 2013	Amount Total
	International Markets				
9.	General Corporate Purposes	-	[●]		[●]
10.	Public Issue Expenses	84.67	[●]		[●]
	Total	**904.39**	**[●]**		**[●]**

DETAILS OF THE OBJECTS OF THE ISSUE:

1) SETTING UP OF ANTI CANCER FACILITY AT MAHAD,MAHARASHTRA

Our company proposes to utilize ₹ 2,654.71 lacs out of the Net Proceeds of the Public Issue, for the setting up of the Anti Cancer facility at our existing location in Mahad, which is expected to commence commercial production in April, 2012. This facility is proposed to be located over a built-up area of approximately 33,786.40 sq. ft., spread over ground plus 3 floors. This facility is intended to be built to international cGMP specifications for manufacturing anti cancer API's. The facility is designed to meet the requirements of the ICHQ7a, FDA, and EDQM. Further, the anti cancer APIs need to be manufactured in a specific controlled environment for which classified atmosphere would be maintained to eliminate air contamination. Water purification would be done by using modern purification techniques to meet pharmacopeial and regulatory requirements. To protect the facility from occupational hazards Negative pressure isolators would be used. The facility has a dedicated quality control unit, stores for cytotoxic and non-cytotoxic raw materials and effluent treatment plant etc.

It is designed to run four lines of production simultaneously. Two lines are dedicated to manufacture small volume high value products like Docetaxel, Paclitaxel, Irinotecan Hydrochloride and Topotecan Hydrochloride etc. The remaining two production lines would be used for bulk production of Gemcitabine Hydrochloride, Capecitabine, Imatinib Mesylate and Gefitinib etc. We have applied for 5 patents in the name of our Company and have also acquired rights for 3 patent applications filed for improved and non infringing process for producing anti cancer APIs namely Gemicitabine Hydrochloride, Capacitabine and Docetaxel which are yet to be granted.

Our current manufacturing facility is situated at Plot No. K/4-1 Additional MIDC, Mahad, Maharashtra with a lease period of 95 years. Our Company already has 1,61,400 sq. ft. of land located out of which 33,786 sq. ft. would be allotted for the proposed facility.

For details on the properties owned by our company, please refer to paragraph titled *"Properties"* beginning on page 140 of the Red Herring Prospectus.

The breakdown of proposed investment for the setting up of the anti cancer facility at Mahad, Maharashtra is as follows:

(₹in lacs)

Sr. No.	Particulars	Amount
	Anti Cancer Unit, Mahad, Maharashtra	
A	Building and Civil Works	1,265.40
B	Plant and Machinery	1,262.90
C	Contingency (5% of A and B)	126.41
	Total	**2,654.71**

A. Building and Civil Works

Our company proposes to construct a three storey building of with a total area of 33,786.40 sq. ft. for the manufacturing of Anti Cancer API's at an estimated cost of ₹ 1,265.40 lacs.

(₹in lacs)

Sr. No.	Description	Quotation/Certifications	Date of Quotation	Qty	Basic Price	Total Amount
1	Building and	R. Ramaswamy, Chartered	July 31, 2010	1	777.00	777.00

Sr. No.	Description	Quotation/Certifications	Date of Quotation	Qty	Basic Price	Total Amount
	Construction	Engineer				
2	HVAC, Clean room partition, Coving and clean room ceiling with optional items	SRP Enviro Systems Private Limited	June 24, 2010	1	307.88	307.88
3	Air cooled chillers and piping	SRP Enviro Systems Private Limited	June 24, 2010	1	59.42	59.42
4	Consultancy Charges	SNB Projects Management	June 27, 2010	-	45.82	45.82
5	Purified Water Generation Plant	Indu Associates	July 12, 2010	2	37.64	75.28
Total						**1265.40**

B. Plant and Machinery

Our Company proposes to acquire following plant and machinery aggregating ₹ 1,262.90 lacs, the details of which are as follows:

(i) <u>Machinery</u>

(₹ in lacs)

Sr. No.	Description	Contractor / Supplier	Date of Quotation	Qty.	Basic Price	Other Costs*	Total Price	Total Amount
1	SS316 Reactor 1000 L	Vision Engineering Equipments	June 18, 2010	3	7.00	0.86	7.86	23.58
2	SS316 Reactor 250	Vision Engineering Equipments	June 18, 2010	2	4.00	0.49	4.49	8.98
3	SS316 Reactor 2000 L	Vision Engineering Equipments	June 18, 2010	1	9.00	1.11	10.11	10.11
4	MSGL Reactor 630 L	Nile Limited	May 26, 2010	4	7.00	0.89	7.89	31.56
5	MSGL Reactor 250 L	Nile Limited	May 26, 2010	2	5.50	0.70	6.20	12.40
6	Glass Assembly 100L	S.V. Glass Industries	June 28, 2010	2	2.48	0.31	2.79	5.58
7	Piping	Dosti Fabricators	June 24, 2010	1	62.48	5.67	68.15	68.15
8	Instrumentation	KGN Electric & Maintenance Works	May 21, 2010	1	3.00	0.38	3.38	3.38
9	Filtration and Solution Preparation Isolator	Klenzaids	May 4, 2010	1	31.85	6.20	38.05	38.05
10	ANFD Discharge Isolator	Klenzaids	May 4, 2010	1	31.80	6.19	37.99	37.99
11	Milling, Blending and Pack off Isolator	Klenzaids	May 4, 2010	2	45.25	8.81	54.06	108.12
12	Quality Control Isolator	Klenzaids	May 4, 2010	1	22.20	4.32	26.52	26.52
13	Decontamination Isolator	Klenzaids	May 4, 2010	4	20.00	3.90	23.90	95.60

Sr. No.	Description	Contractor / Supplier	Date of Quotation	Qty.	Basic Price	Other Costs*	Total Price	Total Amount
14	Microbiology Isolator	Klenzaids	May 4, 2010	1	20.00	3.90	23.90	23.90
15	Laboratory Isolator	Klenzaids	May 4, 2010	2	64.95	12.65	77.60	155.20
16	Dispensing and Sampling Isolator	Klenzaids	May 4, 2010	1	21.65	4.22	25.87	25.87
17	Filtration and drying Isolator	Klenzaids	May 4, 2010	1	30.75	5.99	36.74	36.74
18	Centrifuge 18" x 10"	Vision Engineering Equipments	June 18, 2010	1	4.55	0.56	5.11	5.11
19	Vacuum Tray Drier 12 Trays	Gem Pharma Machineries	June 30, 2010	1	8.00	1.00	9.00	9.00
20	Glass Assembly 50L	S.V. Glass Industries	June 28, 2010	6	1.71	0.21	1.92	11.52
21	Electrification and Lightning	KGN Electric & Maintenance Works	May 21, 2010	-	66.55	8.09	74.64	74.64
22	Insulation	Kamal Insulation	May 1, 2010	-	15.11	1.89	17.00	17.00
23	Lift 800 Kg Safe Working Load	Dosti Fabricators	June 24, 2010	1	3.74	0.46	4.20	4.20
24	Shell and tube Heat Exchanger SS316 $12m^2$	Vision Engineering Equipments	June 18, 2010	4	2.30	0.28	2.58	10.32
25	Shell and tube Heat Exchanger SS316 $5m^2$	Vision Engineering Equipments	June 18, 2010	2	1.30	0.16	1.46	2.92
26	Shell and tube Heat Exchanger SS316 $3m^2$	Vision Engineering Equipments	June 18, 2010	6	1.10	0.14	1.24	7.44
27	Condensers - 630L Glass Lined Reactor	S.V. Glass Industries	June 28, 2010	2	1.45	0.18	1.63	3.26
28	Condensers - 250L Glass Lined Reactor	S.V. Glass Industries	June 28, 2010	2	1.08	0.14	1.22	2.44
29	Vacuum Trap SS304 100 L	Vision Engineering Equipments	June 18, 2010	2	0.45	0.06	0.51	1.02
30	Centrifuge ML catch Pot SS 316 100L	Vision Engineering Equipments	June 18, 2010	1	0.35	0.04	0.39	0.39
31	Receiver SS316 500 L	Vision Engineering Equipments	June 18, 2010	5	0.90	0.11	1.01	5.05
32	Receiver SS316 750 L	Vision Engineering Equipments	June 18, 2010	1	1.05	0.13	1.18	1.18
33	Receiver SS316 100 L	Vision Engineering Equipments	June 18, 2010	2	0.45	0.06	0.51	1.02
34	Fresh Solvent Day Storage SS304 500 L	Vision Engineering Equipments	June 18, 2010	4	0.90	0.11	1.01	4.04

Sr. No.	Description	Contractor / Supplier	Date of Quotation	Qty.	Basic Price	Other Costs*	Total Price	Total Amount
35	Water Storage Tank HDPE 10000 L	Nobel Enterprises	June 13, 2010	1	0.58	0.10	0.68	0.68
36	Brine Plant 10 TR @ -15°C	Shreeji Engineering	July 2, 2010	1	9.58	1.20	10.78	10.78
37	Cooling Tower 150 TR	Shreeji Engineering	July 2, 2010	1	2.29	0.52	2.81	2.81
38	Air Compressor 30 CFM	Shreeji Engineering	July 2, 2010	1	0.95	0.12	1.07	1.07
39	Vacuum pump 200 M3/Hr	HK Industries	July 12, 2010	1	2.20	0.27	2.47	2.47
40	Vacuum pump 100 M3/Hr	HK Industries	July 12, 2010	1	2.09	0.26	2.35	2.35
41	Vacuum pump 50 M3/Hr	HK Industries	July 12, 2010	1	0.68	0.07	0.77	0.77
42	Electrical Panels	ABAK Electrofab Engineering Private Limited	May 8, 2010	1	22.04	5.03	27.07	27.07
43	Scrubber	Shreeji Engineering	July 2, 2010	1	3.25	0.40	3.65	3.65
44	Centrifugal Pumps SS 3 m3/Hr @ 20 M Head	Investa Pumps Private Limited	May 31, 2010	4	0.59	0.08	0.67	2.68
45	Centrifugal Process Pumps PP 3 m3/Hr @ 20 M Head	M. M. Marketing	July 15, 2010	2	0.45	0.06	0.51	1.02
46	SS Air operated double diaphragm pump 3 m3/Hr @ 15 M Head	M. M. Marketing	July 15, 2010	2	0.35	0.04	0.39	0.78
47	Teflon Air operated double diaphragm pump 2 m3/Hr @ 5 M Head	M. M. Marketing	July 15, 2010	1	6.01	0.75	6.76	6.76
48	Motor - 7.5 HP	Sri Bhavani Engineering Services	June 28, 2010	8	0.25	0.03	0.28	2.24
	Total							**937.41**

**Other costs include Excise Duty, VAT / Sales Tax and other incidental costs wherever applicable.*

(ii) **Quality Control Equipments**

(₹ in lacs)

Sr. No.	Description	Contractor / Supplier	Date of Quotation	Qty	Basic Price	Other Costs *	Total Price	Total Amount
1	Stability Chamber (PLC Operated Standby system, 8pt scanner and CFR software	Thermolab Scientific Equipments Private Limited	4-May-10	4	9.60	2.19	11.79	47.16
2	Drying / LOD Oven	Thermolab Scientific Equipments Private Limited	4-May-10	2	1.20	0.27	1.47	2.94
3	Autotitrator****	Metrohm India Limited	7-May-10	2	4.98	1.34	6.32	12.64
4	Karlfisher	Labindia Instruments Private Limited	5-Jul-10	1	1.69	0.42	2.11	2.11
5	pH Meter	Scientico Instruments	15-Jul-10	2	0.45	0.06	0.51	1.02
6	GC with Head Space**	Toshwin Analytical Private Limited	19-May-10	2	23.20	0.56	23.76	47.52
7	Melting Point Apparatus	Labindia Instruments Private Limited	5-May-10	1	1.34	0.33	1.67	1.67
8	Polarimeter**	Anatek Services Private Limited	15-May-10	1	19.58	0.00	19.58	19.58
9	UV Cabinet	C. Abhaya Kumar & Co.	5-May-10	2	0.22	0.03	0.25	0.52
10	Muffle Furnace	C. Abhaya Kumar & Co.	5-May-10	1	0.20	0.02	0.22	0.22
11	Ultra Sonic Bath	C. Abhaya Kumar & Co.	5-May-10	2	0.10	0.02	0.12	0.24
12	Analytical Balance	Amkette Analytics Limited	25-Jun-10	2	1.53	0.22	1.75	3.50
13	High Performance Liquid Chromatography**	Shimadzu Asia Pacific	24-Jul-10	2	17.62	0.28	17.90	35.80
14	FT-IR Spectrometer***	Perkin Elmer (India) Private Limited	23-May-10	1	10.75	0.00	10.75	10.75
15	UV vis. Spectrophotometer**	Anatek Services Private Limited	4-Jun-10	1	4.83	0.28	5.11	5.11
16	Ultrapure water generation plant for analysis***	Labindia Instruments Private Limited	5-Jul-10	1	4.12	0.00	4.12	4.12
17	Glass Ware	Management Estimate	-	QS	30.00	0.00	30.00	30.00
18	Lab Furniture	Scientific Lab	21-Jul-10	10	2.21	0.00	2.21	22.10
19	Other Miscellaneous equipments	Management Estimate	-	-	10.00	0.00	10.00	10.00
	Total							**257.00**

**Other costs include Excise Duty, VAT / Sales Tax and other incidental costs wherever applicable.*

***The quotations are in Japanese Yen, and the exchange rate is considered as 1 Yen = 0.5595 ₹*
**** The quotations are in US Dollar, and the exchange rate is considered as 1 US $ = 47.25 ₹*
***** The quotations are in Swiss Francs, and the exchange rate is considered as 1 CHF = 46.1 ₹*
(Source: www.cbec.gov.in - Exchange rates have been considered as on August 27, 2010)

(iii) Microbiology Instruments

(₹ in lacs)

Sr. No.	Description	Contractor / Supplier	Date of Quotation	Qty.	Basic Price	Other Costs*	Total Price	Total Amount
1	Analytical Balance	Amkette Analytics Limited	25-Jun-10	1	1.53	0.22	1.75	1.75
2	pH Meter	Scientico Instruments	15-Jul-10	2	0.45	0.06	0.51	1.02
3	Round Bath	C. Abhay Kumar & Co.	5-May-10	2	0.24	0.04	0.28	0.56
4	BOD Incubator	Thermolab Scientific Equipments Private Limited	4-May-10	1	2.17	0.49	2.66	2.66
5	Bacteriological Incubator	Thermolab Scientific Equipments Private Limited	4-May-10	1	1.48	0.34	1.82	1.82
6	Glass Ware	Management Estimate	-	QS	25	0.00	25.00	25.00
7	Lab Furniture	Scientific Lab	21-Jul-10	5	2.21	0.00	2.21	11.05
8	Computers	Porwal Computers	28-May-10	30	0.35	0.00	0.35	10.50
	Total							**54.36**

**Other costs include Excise Duty, VAT / Sales Tax and other incidental costs wherever applicable.*

(iv) Stores

(₹ in lacs)

Sr. No.	Description	Contractor / Supplier	Date of Quotation	Qty.	Basic Price	Other Costs*	Total Price	Total Amount
1	Racks	Maxima Systems Limited	22-May-10	400	-	-	-	12.63
2	Pallets	Maxima Systems Limited	22-May-10	50	-	-	-	1.50
	Total							**14.13**

**Other costs include Excise Duty, VAT / Sales Tax and other incidental costs wherever applicable.*

2) SETTING UP OF cGMP BLOCK FOR API'S AT MAHAD, MAHARASHTRA

Our Company proposes to use ₹ 1,479.53 lacs out of the Net Proceeds of the Issue, for the establishment of a cGMP block for manufacturing APIs at our existing location which is expected to commence operations in the September, 2011.

Our Company has a facility for manufacturing second generation anti malarial which are quinine and its salts and we have recently commenced manufacturing of third generation anti malarial such as Artemether and Arteether. In this proposed facility we will be manufacturing niche APIs like Bromhexine Hydrochloride, Metoclopramide, Perindopril and Sildenafil Citrate etc. This facility shall have two lines of production with two powder processing areas of class 1,00,000 environments.

Our current manufacturing facility is situated at Plot No K/4-1 Additional MIDC, Mahad, Maharashtra with a lease period of ninety five years. Our Company already has 1,61,400 sq. ft. of land located out of which the proposed facility's built-up area is approximately 12,503 sq. ft., spread over ground plus two floors.

For details on the properties owned by our company, please refer to paragraph titled *"Properties"* beginning on page 140 of the Red Herring Prospectus.

The breakdown of proposed investment for the setting up of the cGMP Block at Mahad, Maharashtra is as follows:

(₹ in lacs)

Sr. No.	Particulars	Amount
	cGMP Unit, Mahad, Maharashtra	
A	Building and Civil Works	876.94
B	Plant and Machinery	532.14
C	Contingency (5% of A and B)	70.45
	Total	**1,479.53**

A. Building and Construction

As on March 31, 2011, our Company has incurred a total cost of ₹ 287.58 lacs for the construction of the buildings for setting up of cGMP block for APIs at Mahad, Maharashtra. Further we intend to utilize ₹ 589.36 lacs for the balance construction of the building which are detailed as under:

(₹ in lacs)

Sr. No.	Description	Contractor / Supplier	Date of Quotation	Basic Price	Other Costs*	Total Price	Total Amount
1	Electrification	KGN Electric & Maintenance Works	May 23, 2010	70.00	-	70.00	70.00
2	Fire Fighting System	Synthoex	July 16, 2010	33.86	5.91	39.77	39.77
3	False Ceilings, Sliding Windows and Flooring	Bipin Doshi, Interior Decorator Consultant	June 28, 2010	81.00	9.54	90.54	90.54
4	HVAC, Clean Room Partition, Coving and Cleanroom ceiling	SRP Enviro Systems Private Limited	June 21, 2010	149.20	18.31	167.51	167.51
5	Consultancy Charges	SNB Project Management	July 23, 2010	22.95	-	22.95	22.95
6	Landscaping and Horticulture	Management Estimates	--	15.00	-	15.00	15.00
7	Security and Communication	Thakur Systems	June 23, 2010	20.95	2.62	23.57	23.57
8	Purified Water Generation Plant	Indu Associates	July 27, 2010	23.88	3.43	27.31	27.31
9	DM Water Storage and Distribution Loop	Indu Associates	July 28, 2010	31.62	4.54	36.16	36.16
10	Painting and Beautification	Kayyum Construction, Civil Contractor	June 28, 2010	2.68	-	2.68	2.68
11	Insulation (Reactor and Utility Line)	Kamal Insulation	May 1, 2010	18.00	-	18.00	18.00
12	Piping and Fabrication	Dosti Fabricators	July 28, 2010	62.53	8.81	71.34	71.34
13	Instrumentation	KGN Electric & Maintenance Works	June 27, 2010	4.02	0.51	4.53	4.53
	Total						**589.36**

**Other costs include Excise Duty, VAT / Sales Tax and other incidental costs wherever applicable.*

B. Plant and Machinery

Our Company has already placed the orders for the following plant and machinery by investing a total of ₹ 532.14 lacs, the details of which are as follows:

(₹ in lacs)

Sr. No.	Description	Name of Supplier	Date of placement of order	Date of expected delivery	Quantity	Price per unit*	Total Amount*
1.	Centrifuge SS 316 48”	United Enterprises	December 14, 2010	May 10, 2011	3	12.66	37.97
2.	Reactor MSGL 2000 Ltrs	United Enterprises	December 14, 2010	May 10, 2011	1	13.65	13.65
3.	Shell and Tube Heat Exchanger SS 316 12 m2	United Enterprises	December 14, 2010	May 10, 2011	1	2.59	2.59
4.	Rotary Cone Vacuum SS316 1000 Ltrs	United Enterprises	December 14, 2010	May 10, 2011	2	25.59	51.19
5.	Reactor SS 316 3000 Ltrs	United Enterprises	December 14, 2010	May 10, 2011	2	11.81	23.63
6.	Lift 800 Kg Safe Working Load	United Enteprises	December 14, 2010	May 10, 2011	1	4.21	4.21
7.	Reactor SS 316 2000 Ltrs	United Enterprises	December 22, 2010	May 10, 2011	1	10.13	10.13
8.	Reactor SS 316 4000 Ltrs	United Enterprises	December 22, 2010	May 10, 2011	1	15.75	15.75
9.	Reactor SS 316 1000 Ltrs	United Enterprises	December 22, 2010	May 10, 2011	1	7.88	7.88
10.	Reactor MSGL 3000 Ltrs	United Enterprises	December 22, 2010	May 10, 2011	2	16.38	32.76
11.	Reactor MSGL 2000 Ltrs	United Enterprises	December 22, 2010	May 10, 2011	1	13.65	13.65
12.	Centrifuge SS Halar Coated 48”	United Enterprises	December 22, 2010	May 10, 2011	1	16.31	16.31
13.	Vacuum Tray Drier SS 316 48 Trays	United Enterprises	December 22, 2010	May 10, 2011	1	26.21	26.21
14.	Shell and tube Heat Exchanger SS 316 12m2	United Enterprises	December 22, 2010	May 10, 2011	2	2.59	5.18
15.	Shell and tube Heat Exchanger SS 316 15m2	United Enterprises	December 22, 2010	May 10, 2011	3	2.72	8.17
16.	Fresh Solvent Storage Tank SS304 10000 Ltrs	United Enterprises	December 22, 2010	May 10, 2011	3	7.59	22.78
17.	Brine Plant 15TR @ 10 deg C.	United Enterprises	December 25, 2010	May 10, 2011	2	10.78	21.56
18.	ML Storage Tank SS316 2000 Ltrs	United Enterprises	December 25, 2010	May 10, 2011	1	2.25	2.25
19.	Electrical Panels ABAK	United Enterprises	December 25, 2010	May 10, 2011	1	24.80	24.80
20.	Sparkler Filter SS 316 18” X 15 Plate	Classic Trading Co.	December 13, 2010	May 10, 2011	2	4.73	9.45
21.	Condenser for 3000 Ltrs Glass Lined Reactor Glass	Classic Trading Co.	December 13, 2010	May 10, 2011	2	3.04	6.08
22.	Centrifuge ML catch pot SS 316 500 Ltrs	Classic Trading Co.	December 13, 2010	May 10, 2011	2	1.01	2.03
23.	Dosting Tank SS316 1000 Ltrs	Classic Trading Co.	December 16, 2010	May 10, 2011	4	1.46	5.85
24.	Recovered Solvent	Classic	December 16,	May 10, 2011	4	1.97	7.88

Sr. No.	Description	Name of Supplier	Date of placement of order	Date of expected delivery	Quantity	Price per unit*	Total Amount*
	Storage Tank SS 316 1500 Ltrs	Trading Co.	2010				
25.	Air Compressor	Classic Trading Co.	December 16, 2010	May 10, 2011	1	3.79	3.79
26.	Vacuum Pump 200 m3 / Hr with motor and Accecories	Classic Trading Co.	December 16, 2010	May 10, 2011	2	2.48	4.95
27.	Scrubber	Classic Trading Co.	December 16, 2010	May 10, 2011	2	3.66	7.31
28.	Centrifugal process pumps SS 5m3 /Hr	Classic Trading Co.	December 16, 2010	May 10, 2011	10	0.59	5.85
29.	Electrical Motors – 5HP/7.5 HP	Classic Trading Co.	December 16, 2010	May 10, 2011	6	-	1.73
30.	Electrical Motors 15 HP	Classic Trading Co.	December 22, 2010	May 10, 2011	3	-	1.73
31.	ML Storage Tank SS 316 2000 Ltrs	Classic Trading Co.	December 22, 2010	May 10, 2011	1	2.25	2.25
32.	Condensor for 2000 Ltrs Glass Lined Reactor Glass	Classic Trading Co.	December 22, 2010	May 10, 2011	2	2.14	4.28
33.	Shell & Tube Heat Exchanger SS 316 4m2	Classic Trading Co.	December 22, 2010	May 10, 2011	4	1.46	5.85
34.	Multi Mill, MM – 301 SS 316 100 kgs /Hr	Classic Trading Co.	December 22, 2010	May 10, 2011	2	1.41	2.81
35.	Sifter SF -301 SS316	Classic Trading Co.	December 22, 2010	May 10, 2011	2	1.18	2.36
36.	Vacuum Trap SS304 100 Ltrs	Classic Trading Co.	December 22, 2010	May 10, 2011	2	0.51	1.01
37.	Gear Box		December 22, 2010	May 10, 2011	5	0.39	1.97
38.	Receiver SS 316 500 Ltrs	Classic Trading Co.	December 22, 2010	May 10, 2011	6	1.01	6.06
39.	Receiver SS 316 750 Ltrs	Classic Trading Co.	December 22, 2010	May 10, 2011	1	1.18	1.18
40.	Air Compressor	Classic Trading Co.	December 22, 2010	May 10, 2011	1	1.07	1.07
41.	Water Storage Tank HDPE 10000 Ltrs	Classic Trading Co.	December 22, 2010	May 10, 2011	1	0.65	0.65
42.	Centrifugal Process Pumps PP 5m2 / Hr	Classic Trading Co.	December 22, 2010	May 10, 2011	3	0.59	1.76
43.	Rotary Cone Vaccuum SS 316 1000 Ltrs	Classic Trading Co.	December 22, 2010	May 10, 2011	2	25.59	51.18
44.	Vacuum Tray Drier SS 316 48 Trays	Classic Trading Co.	December 22, 2010	May 10, 2011	2	26.21	52.43
	Total						**532.14**

** The basic price and the total amount includes VAT / Sales Tax and other incidental costs wherever applicable*

3) SETTING UP OF INTERMEDIATE API BLOCK AT MAHAD, MAHARASHTRA

Our company proposes to use ₹ 867.31 lacs out of the Net Proceeds of the Issue, for the establishment of a multipurpose block for manufacturing APIs at our existing location which is expected to commence operations in the April, 2012. This facility is proposed to be located over a built-up area of approximately 9,274 sq. ft., spread over ground plus two floors. In this facility we shall process early stages of the final products i.e. Intermediate of third generation antimalarial and niche APIs like Bromhexine Hydrochloride, Metoclopramide Hydrochloride and Perindopril would be manufactured. The Facility would consist of around 18 Reactors, Centrifuges and Driers of various materials of construction and capacities to produce intermediates. These intermediates would be processed further in the cGMP Block.

Our current manufacturing facility is situated at Plot No K/4-1 Additional MIDC, Mahad, Maharashtra with a lease period of ninety five years. Our Company already has 1,61,400 sq. ft. of land located out of which 9,274 sq. ft. would be allotted for the proposed facility.

For details on the properties owned by our company, please refer to paragraph titled *"Properties"* beginning on page 140 of the Red Herring Prospectus.

The breakdown of proposed investment for the setting up of the Intermediate API Block at Mahad, Maharashtra is as follows:

(₹ in lacs)

Sr. No.	Particulars	Amount
	Intermediate Unit, Mahad, Maharashtra	
A	Building and Civil Works	356.04
B	Plant and Machinery	470.06
C	Contingency (5% of A and B)	41.21
	Total	**867.31**

A. Building and Civil Works

The detail of the buildings to be constructed is as follows:

(₹ in lacs)

Sr. No.	Description	Contractor / Supplier	Date of Quotation	Basic Price	Other Costs*	Total Price	Total Amount
1	MS Structural Building	R. Ramaswamy, Chartered Engineer	July 31, 2010	111.30	-	111.30	111.30
2	Electrification	KGN Electric & Maintenance Works	July 19, 2010	50.21	17.29	67.50	67.50
3	False Ceilings, Sliding Windows and Flooring (Gr. 1st and 2nd Floor)	Bipin Doshi, Interior Decorator Consultant	July 8, 2010	64.93	-	64.93	64.93
4	General Ventilation	SRP Enviro Systems Private Limited	June 4, 2010	2.00	-	2.00	2.00
5	Painting and Beautification	Kayyum Construction	July 12, 2010	1.50	-	1.50	1.50
6	Insulation (Reactor and Utility Line)	Kamal Insulation	May 1, 2010	22.00	-	22.00	22.00
7	Piping and Fabrication	Dosti Fabricators	May 16, 2010	7.36	72.95	80.31	80.31
8	Instrumentation	KGN Electric & Maintenance Works	July 18, 2010	5.78	0.72	6.50	6.50
	Total						**356.04**

**Other costs include Excise Duty, VAT / Sales Tax and other incidental costs wherever applicable.*

B. Plant and Machinery

(₹ in lacs)

Sr. No.	Description	Contractor / Supplier	Date of Quotation	Qty.	Basic Price	Other Costs*	Total Price	Total Amount
1	Reactor SS316 1000 L, 1500 L, 2000 L, 3000 l, 4000 L and 6000 L	Vision Engineering Equipments	May 19, 2010	10	-	-	-	80.18
2	Reactor MSGL 3000 L, 2000 L and 4000 L	Nile Limited	February 12, 2010	8	-	-	-	74.59
3	Centrifuge SS 316 48"	Vision Engineering Equipments	May 19, 2010	4	11.25	1.38	12.63	50.52
4	Rotary Cone vacuum SS 316 1000 L	Gem Pharma Machineries	July 29, 2010	2	22.75	2.84	25.59	51.18
5	Fluid Bed Drier 250Kg	Gem Pharma Machineries	July 29, 2010	1	6.50	0.81	7.31	7.31
6	Sparkler Filter SS 316 18" X 15 Plate	Gem Pharma Machineries	July 29, 2010	2	4.20	0.53	4.73	9.46
7	Pressure Nustche Filter	Gem Pharma Machineries	July 29, 2010	2	3.50	0.44	3.94	7.88
8	Nustche Filter PP FRP	Gem Pharma Machineries	July 29, 2010	2	1.50	0.19	1.69	3.38
9	Multimill 200 Kg/Hr	Gem Pharma Machineries	July 29, 2010	1	1.25	0.16	1.41	1.41
10	Sifter 30"	Gem Pharma Machineries	July 29, 2010	1	1.05	0.13	1.18	1.18
11	Blender, 301 SS 316 1500 ltrs	Gem Pharma Machineries	July 29, 2010	1	6.50	0.81	7.31	7.31
12	Shell and tube Heat Exchanger SS316 18 m2	Vision Engineering Equipments	April 11, 2010	1	2.75	0.34	3.09	3.09
13	Shell and tube Heat Exchanger SS316 10 m2	Vision Engineering Equipments	April 11, 2010	4	1.92	0.24	2.16	8.64
14	Shell and tube Heat Exchanger SS316 4 m2	Vision Engineering Equipments	April 11, 2010	5	1.30	0.16	1.46	7.30
15	Shell and tube Heat Exchanger SS316 15 m2	Vision Engineering Equipments	April 11, 2010	5	2.42	0.30	2.72	13.60
16	Condensers for 3000 L Glass Lined Reactor	S.V. Glass Industries	June 4, 2010	2	2.70	0.34	3.04	6.08
17	Condensers for 2000 L Glass Lined Reactor	S.V. Glass Industries	June 4, 2010	4	1.90	0.24	2.14	8.56
18	Condensers for 4000 L Glass Lined Reactor	S.V. Glass Industries	June 4, 2010	2	3.32	0.42	3.74	7.48
19	Vacuum Trap SS304 100 L	Vision Engineering Equipments	June 15, 2010	2	0.45	0.06	0.51	1.02
20	Centrifuge ML catch Pot SS 316 1000 L	Vision Engineering Equipments	June 15, 2010	4	1.30	0.16	1.46	5.84
21	Receiver SS316 500 L	Vision Engineering Equipments	June 15, 2010	9	0.90	0.11	1.01	9.09

Sr. No.	Description	Contractor / Supplier	Date of Quotation	Qty.	Basic Price	Other Costs*	Total Price	Total Amount
22	Receiver SS316 750 L	Vision Engineering Equipments	June 15, 2010	1	1.05	0.13	1.18	1.18
23	Receiver SS316 1000 L	Vision Engineering Equipments	June 15, 2010	1	1.30	0.16	1.46	1.46
24	Solvent Storage Tank 2000 L	Vision Engineering Equipments	June 15, 2010	4	2.00	0.25	2.25	9.00
25	ML Storage Tank SS316 5000 L	Vision Engineering Equipments	June 15, 2010	5	4.00	0.49	4.49	22.45
26	Brine Plant 15TR -10°C	Shreeji Engineering	June 17, 2010	1	9.58	1.20	10.78	10.78
27	Cooling Tower 200 TR with 2 Cooling Water Circulation Pumps	Shreeji Engineering	June 27, 2010	1	3.37	0.42	3.79	3.79
28	Air Compressor	Shreeji Engineering	June 25, 2010	1	0.95	0.12	1.07	1.07
29	Vacuum pump 200 M3/Hr with Motor and accessories	H. K. Industries	June 27, 2010	2	2.78	-	2.78	5.56
30	Water Ring Vacuum Pump	H K Industries	June 27, 2010	1	0.90	-	0.90	0.90
31	Electrical Panels ABAK	Electrofab Engineering Private Limited	May 8, 2010	1	22.04	5.03	27.07	27.07
32	Hoist 800 Kg Safe Working Load	Dosti Fabricators	July 17, 2010	1	3.74	0.47	4.21	4.21
33	Scrubber	Shreeji Engineering	June 17, 2010	1	3.25	0.47	3.72	3.72
34	Water Storage Tank HDPE 10000 L	Nobel Enterprises	July 23, 2010	1	0.58	0.10	0.68	0.68
35	Centrifugal Process Pumps SS 5 m3/Hr	Investa Pumps Private Limited	May 31, 2010	10	0.52	0.07	0.59	5.90
36	Centrifugal Process Pumps PP 5m3/Hr	M. M. Marketing	June 30, 2010	4	0.45	0.06	0.51	2.04
37	Electric Motors – 5 HP, 7.5 HP, 10 HP and 15 HP	Sri Bhavani Engeneering Services	June 3, 2010	19	-	-	-	5.15
	Total							**470.06**

**Other costs include Excise Duty, VAT / Sales Tax and other incidental costs wherever applicable.*

4) EXPANSION OF OUR EXISTING RESEARCH AND DEVELOPMENT CENTRE AT MAHAD AND PUNE, MAHARASHTRA

Our Company has a research and development centre at Mahad and Pune, Maharashtra. The Research and Development team is engaged in improving the processes for existing products thereby improving the cost efficiencies. We propose to expand bench scale capabilities and improve analytical capabilities.

Our Company has an R & D centre at Mahad, which looks into process improvements in manufacturing of APIs. Our Company has a Research and Development centre at Pune, focusing on formulations, herbal development and new drug delivery systems. We propose to utilise ₹ 1,908.44 lacs out of the Net Proceeds of the Issue for the expansion of our existing R & D centres for lab scale development work.

The proposed R & D divisions would be equipped with sophisticated equipments like rotary evaporators, preparative HPLC and fume hoods to conduct various types of reactions. Working benches would be available to conduct 5 different types of reactions simultaneously. A full fledged library is proposed to be setup, having international publications, access and membership to reputed universities in India and journals related to synthetic and herbal chemistry. Further we also propose to set up an analytical development laboratory consisting of instrumentation laboratory for analysis of R & D related products.

The breakdown of proposed investment for the setting up of the Research & Development centre at Mahad and Pune, Maharashtra is as follows:

(₹ in lacs)

Sr. No.	Particulars	Amount
I	**Research & Development Centre, Mahad, Maharashtra**	
A	Building and Civil Works	241.02
B	Plant & Machinery	274.68
C	Contingency (5% of A and B)	25.85
	Sub Total (1)	541.55
II	**Research & Development Centre, Pune**	
A	Building and Civil Works	638.25
B	Plant and Machinery	663.13
C	Contingency (5% of A and B)	65.51
	Sub Total (2)	1,366.89
	Total (1) + (2)	**1,908.44**

I. Expansion of Research and Development centre at Mahad, Maharashtra

A. Building and Civil Works

The detail of the building to be constructed is as follows:

(₹ In lacs)

Sr. No.	Description	Contractor / Supplier	Date of Quotation	Basic Price	Other Costs*	Total Price	Total Amount
1.	Structural Building	R. Ramaswamy, Chartered Engineer	July 31, 2010	71.88	-	71.88	71.88
2.	False Ceilings, Sliding Windows and Flooring	Bipin Doshi, Interior Decorator	July 20, 2010	49.68	-	49.68	49.68
3.	Furniture and Portioning Work (including consultancy)	Bipin Doshi, Interior Decorator	July 20, 2010	33.78	-	33.78	33.78
4.	Electrification and Networking	KGN Electric & Maintenance Works	July 14, 2010	16.56	1.71	18.27	18.27
5.	Air Conditioning	Management Estimate	June 18, 2010	13.80	-	13.80	13.80
6.	Piping and Fabrication	Dosti Fabricators	June 17, 2010	24.84	2.56	27.40	27.40
7.	Consultancy Charges	Management Estimate	July 18, 2010	14.36	-	14.36	14.36

8.	Tables, Fume Hood, Blower, FRP Ducting Packing and forwarding, Installation	Scientific Lab	July 21, 2010	10.96	0.89	11.85	11.85
	Total						**241.02**

**Other costs include Excise Duty, VAT / Sales Tax and other incidental costs wherever applicable.*

B. Plant and Machinery

(₹ in lacs)

Sr. No.	Description	Contractor / Supplier	Date of Quotation	Qty.	Basic Price	Other Costs*	Total Price	Total Amount
1.	GC with Head Space***	Varian India Private Limited	June 24, 2010	2	27.70	0.50	28.20	56.40
2.	HPLC**	Shimadzu Asia Pacific	July 13, 2010	2	21.95	-	22.90	45.80
3.	HPLC Accessory	Spincotech Private Limited	July 13, 2010	2	0.88	0.04	0.92	1.84
4.	Lab Glassware	Management Estimates	-	-	50.00	-	50.00	50.00
5.	FTIR***	Perkin Elmer (India) Private Limited	March 26, 2010	1	10.75	-	10.75	10.75
6.	Polarimeter**	Anatek Services Private Limited	July 20, 2010	1	19.58	-	-	19.58
7.	Milli-Q Water System***	Millipore (India) Private Limited	July 21, 2010	1	6.01	-	-	6.01
8.	HPTLC****	Anchrom Enterprises (I) Private Limited	July 21, 2010	1	49.44	-	-	49.44
9.	RotaVap	Scientific Glass Private Limited	May 28, 2010	4	1.20	0.02	1.22	4.88
10.	pH Meter	Scientico Instruments	May 26, 2010	2	0.45	0.06	0.51	1.02
11.	Melting Point Apparatus	Scientico Instruments	May 26, 2010	1	3.33	0.42	3.75	3.75
12.	Balance	Lab Link	June 26, 2010	1	2.10	0.26	2.36	2.36
13.	Drying Oven	Medica Instrument Mfg. Co.	July 9, 2010	3	0.90	0.13	1.03	3.09
14.	Continuous Heavy duty stirrer	Sterling Chemie Pharma	May 12, 2010	15	0.40	0.04	0.44	6.66
15.	UV-Visible Spectrophotometer	Anatek Services Private Limited	July 20, 2010	1	5.11	-	5.11	5.11
16.	Computers	Porwal Computers	May 28, 2010	23	0.35	-	0.35	8.05
	Total							**274.68**

**Other costs include Excise Duty, VAT / Sales Tax and other incidental costs wherever applicable.*

***The quotations are in Japanese Yen, and the exchange rate is considered as 1 Yen = 0.5595 ₹*
**** The quotations are in US Dollar, and the exchange rate is considered as 1 US $ = 47.25 ₹*
***** The quotations are in Swiss Francs, and the exchange rate is considered as 1 CHF = 46.1₹*
(Source: www.cbec.gov.in - Exchange rates have been considered as on August 27, 2010)

II. Expansion of Research and Development Centre at Pune

A. Building and Civil Works

The detail of the building to be constructed is as follows:

(₹In lacs)

Sr. No.	Description	Contractor / Supplier	Date of Quotation	Area (Sq. Ft.)	Basic Cost (₹per Sq. Ft.)	Total Amount
1.	Construction of Building,	Jayant Enterprises	July 21, 2010	10,000	18.00	180.00
2.	False Ceiling, Sliding Windows and Flooring	Jayant Enterprises	July 21, 2010	10,000	10.00	100.00
3.	Furniture & Partitioning Work	Jayant Enterprises	July 21, 2010	10,000	11.00	110.00
4.	Electrification & Networking	Jayant Enterprises	July 21, 2010	10,000	5.00	50.00
5.	Air-conditioning	Jayant Enterprises	July 21, 2010	10,000	5.00	50.00
6.	Piping Fabrication	Jayant Enterprises	July 21, 2010	10,000	9.00	90.00
7.	Consultancy Charges	Jayant Enterprises	July 21, 2010	10,000	5.83	58.25
	Total					**638.25**

B. Plant and Machinery

(₹ In lacs)

Sr. No.	Description	Contractor / Supplier	Date of Quotation	Qty	Basic Price	Other Costs*	Total Price	Total Amount
1	**Ointment Manufacturing Plant**	Bright Pharma Engineering Private Limited	July 28, 2010	1	7.75	0.97	8.72	8.72
	Sub Total (1)							**8.72**
2	**Lozenges Manufacturing Machine** (High speed sweet forming line)	Makson Export	July 21, 2010	1	186.50	16.79	203.29	203.29
	Sub Total (2)							**203.29**
3	**Tablet Manufacturing Machine**							
A	PAM Fludised bed processor GPCG 1.1 Basic Machine (including Taxes)	Pam Glatt Pharma Technologies Private Limited	July 29, 2010	1	40.49	-	40.49	40.49
B	GMPC II Basic machine with Pan (Including Taxes)	Pam Glatt Pharma Technologies Private Limited	July 29, 2010	1	81.59	-	81.59	81.59
C	Mini Press - II Double Layer	Karnavati	July 28, 2010	1	13.25	1.63	14.88	14.88

Sr. No.	Description	Contractor / Supplier	Date of Quotation	Qty	Basic Price	Other Costs*	Total Price	Total Amount
	Machine (Including Taxes)	Engineering Limited						
D	Dust Extractor KDU 200 (Including Taxes)	Karnavati Engineering Limited	July 28, 2010	1	1.10	0.14	1.24	1.24
E	De Dusting and De burring (Including Taxes)	Karnavati Engineering Limited	July 28, 2010	1	0.50	0.06	0.56	0.56
F	Kalweka Multi Purpose Equipment (Including Taxes)	Karnavati Engineering Limited	July 28, 2010	1	19.02	2.34	21.36	21.36
	Sub Total (3)							**160.12**
4	**Capsule Filling Machine**							
A	Mini Capsule filling machine	Karnavati Engineering Limited	July 28, 2010	1	14.11	1.74	15.85	14.44
B	Octagonal Blender GMp 316	Gansons Limited	July 30, 2010	1	2.54	0.70	3.24	3.24
	Sub Total (4)							**17.68**
5	**Liquid/Syrups**							
A	Liquid/Syrups manufacturing machine	Anchor Mark Private Limited	August 2, 2010	1	91.49	23.14	114.63	114.63
B	Millipore Purified Water machine	Millipore (India) Private Limited	July 21, 2007	1	5.72	0.29	6.01	6.01
	Sub Total (5)							**120.64**
6	**Quality Control / Assurance**							
A	Lab Furniture	Labguard India Private Limited	July 22, 2010	1	9.40	3.66	13.06	13.06
B	Camag HPTLC system****	Anchrom Enterprises (I) Private Limited	July 29, 2010	1	47.08	2.36	49.44	49.44
C	Shimadzu UV-VIS spectrophotometer 1800**	Toshvin Analytical Private Limited	July 21, 2010	1	5.87	0.11	5.98	5.98
D	Shimadzu FTIR, IR Affinity-I**	Toshvin Analytical Private Limited	July 21, 2010	1	14.19	0.27	14.46	14.46
E	HPLC**	Shimadzu Asia Pacific	July 23, 2010	1	13.43	-	13.43	13.43
	Sub Total (6)							**96.37**
7	**Consultancy Charges**	Neha Enterprises		1	50.00	6.31	56.31	56.31
	Sub Total (7)							**56.31**
	Total							**663.13**

Sr. No.	Description	Contractor / Supplier	Date of Quotation	Qty	Basic Price	Other Costs*	Total Price	Total Amount
	(1)+(2)+(3)+(4)+(5)+(6)+(7)							

**Other costs include Excise Duty, VAT / Sales Tax and other incidental costs wherever applicable.*
***The quotations are in Japanese Yen, and the exchange rate is considered as 1 Yen = 0.5595 ₹*
**** The quotations are in US Dollar, and the exchange rate is considered as 1 US $ = 47.25 ₹*
***** The quotations are in Swiss Francs, and the exchange rate is considered as 1 CHF = 46.1 ₹*
(Source: www.cbec.gov.in - Exchange rates have been considered dated as on August 27, 2010)

5) SETTING UP OF A QUALITY CONTROL AND QUALITY ASSURANCE BLOCK AT MAHAD, MAHARASHTRA

Our Company proposes to use ₹ 1420.48 lacs out of the Net Proceeds of the Issue, for the establishment of a quality control and quality assurance block at Mahad, which is expected to be set up by December, 2011. This facility is proposed to be located over a built-up area of approximately 43,525 sq. ft.

This centralized quality control block will ensure a complete quality checking for incoming raw material, packing material, intermediate testing in process controls finished product testing, analytical method validation and R & D and product development laboratory sample testing. Centralised quality assurance division will be in charge of the entire documentations like standard operating procedures for our products and qualification of equipments and facility. A full-fledged quality control is proposed with the Advance Equipment and instrumentation like HPLC, Gas Chromatography, Polarimeters, UV Spectrophotometers and microbiology testing laboratory and stability chambers for stability studies etc.

Our current manufacturing facility is situated at Plot No K/4-1 Additional MIDC, Mahad, Maharashtra with a lease period of ninety five years. Our Company already has 1,61,400 sq. ft. of land located out of which 43,525 sq. ft. would be allotted for the proposed facility.

For details on the properties owned by our company, please refer to paragraph titled *"Properties"* beginning on page 140 of the Red Herring Prospectus.

The breakdown of proposed investment for the Quality Control and Quality Assurance Block at Mahad, Maharashtra is as follows:

(₹in lacs)

Sr. No.	Particulars	Amount
	Product Development Laboratory, Mahad, Maharashtra	
A	Building and Civil Works	1,069.35
B	Plant and Machinery	283.50
C	Contingency (5% of A and B)	67.63
	Total	**1,420.48**

A. Building and Construction

(₹ in lacs)

Sr. No.	Description	Contractor / Supplier	Date of Quotation	Basic Price	Other Costs*	Total Price	Total Amount
1	Building and Construction	R. Ramaswamy, Chartered Engineer	July 31, 2010	914.00	-	914.00	914.00
2	HVAC, QC Partition, Ceiling	Air One Source	April 19, 2010	84.49	-	84.49	84.49
3	Consultancy Charges	SNB Project Management	July 25, 2010	7.03	-	7.03	7.03

4	Stability Chambers (PLC Operated Standby system, 8pt scanner and CFR software) (4 units)	Scientific Equipments Private Limited	May 4, 2010	8.70	1.98	10.68	42.73
5	Electrification and Lightning	KGN Electric & Maintenance Works	July 17, 2010	18.81	2.29	21.10	21.10
	Total						**1,069.35**

**Other costs include Excise Duty, VAT / Sales Tax and other incidental costs wherever applicable.*

B. Plant and Machinery

(₹ in lacs)

Sr. No.	Description	Contractor / Supplier	Date of Quotation	Qty	Basic Price	Other Costs*	Total Price	Total Amount
1	Drying / LOD Oven (200 G) with 5 Trays	Thermolab Scientific Equipments Private Limited	May 4, 2010	2	0.95	0.21	1.16	2.32
2	Autotitrator****	Metrohm India Limited	May 7, 2010	2	5.86	0.46	6.32	12.64
3	Karlfisher Titrator	Labindia Instruments Private Limited	July 8, 2010	2	1.69	0.42	2.11	4.22
4	pH Meter	Scientico Instruments	July 23, 2010	2	0.45	0.06	0.51	1.02
5	GC with Head Space**	Toshwin Analytical Private Limited	May 13, 2010	1	23.20	0.56	23.76	23.76
6	Melting Point Apparatus	Labindia Instruments Private Limited	May 7, 2010	1	1.35	0.33	1.68	1.68
7	Polarimeter**	Jasco – Anatek Services Private Limited	July 28, 2010	1	19.58	-	19.58	19.58
8	UV Cabinet	C. Abhayakumar & Co.	May 5, 2010	2	0.22	0.03	0.25	0.50
9	Muffle Furnace	C. Abhaya kumar & Co.	May 5, 2010	2	0.20	0.02	0.22	0.44
10	Ultra Sonic Bath	C. Abhaykumar & Co.	May 5, 2010	3	0.10	0.02	0.12	0.36
11	Analytical Balance	Amkette Analytics Limited	July 4, 2010	2	1.90	0.24	2.14	4.28
12	HPLC**	Shimadzu Asia Pacific	July 30, 2010	4	17.62	0.28	17.90	71.60
13	FTIR***	Perkin Elmer (India) Private Limited	May 23, 2010	1	10.75	-	10.75	10.75
14	UV vis. Spectrophotometer	Anatek Services Private Limited**	May 19, 2010	1	4.83	0.28	5.11	5.11
15	Ultrapure water generation plant for analysis	Lab Instruments Private Limited	May 5, 2010	1	4.12	-	4.12	4.12
16	Lab Furniture***	Scientific Lab	July 21, 2010	25	-	-	-	55.19
Microbiology Instruments								

Sr. No.	Description	Contractor / Supplier	Date of Quotation	Qty	Basic Price	Other Costs*	Total Price	Total Amount
17	Analytical Balance	Amkette Analytics Limited	June 25, 2010	1	1.53	0.22	1.75	1.75
18	pH Meter	Labindia Instruments Private Limited	June 25, 2010	2	0.45	0.06	0.51	1.02
19	Round Bath	C. AbhayKumar & Co.	May 5, 2010	2	0.25	0.04	0.28	0.56
20	BOD Incubator	Thermolab Scientific Equipments Private Limited	May 4, 2010	2	2.17	0.49	2.66	5.32
21	Bacteriological Incubator	Thermolab Scientific Equipments Private Limited	May 4, 2010	4	1.48	0.34	1.82	7.28
22	Glass Ware	Management Estimates	-	QS	30.00	-	30.00	30.00
23	Miscellaneous instruments	Management Estimates	-	QS	20.00	-	20.00	20.00
	Total							**283.50**

Other costs include Excise Duty, VAT / Sales Tax and other incidental costs wherever applicable.
***The quotations are in Japanese Yen, and the exchange rate used is 1 Yen = 0.5595 Rupees*
**** The quotations are in US Dollar, and the exchange rate used is 1 US $ = 47.25 Rupees*
***** The quotations are in Swiss Francs, and the exchange rate used is 1 CHF = 46.1 Rupees*
Source: Exchange rates have been considered dated August 27, 2010 on www.cbec.gov.in

6) SETTING UP OF PRODUCT DEVELOPMENT LABORATORY AT MAHAD, MAHARASHTRA

Our Company proposes to use ₹ 160.95 lacs out of the Net Proceeds of the Issue, for the establishment of a stores building at Mahad, which is expected to be set up by December, 2011. This facility is proposed to be located over a built-up area of approximately 2,798 sq. ft.

The product development laboratory would be set up for manufacturing products upto 1 kg within stainless steel and glass lined equipments of various capacities from 50 liters to 200 liters Small volume high value products would be manufactured in this facility. Product Development Laboratory is set up for development and process enhancement of existing APIs as well as to conduct scale up trial of new products from synthesized by R& D.

Our current manufacturing facility is situated at Plot No K/4-1 Additional MIDC, Mahad, Maharashtra with a lease period of ninety five years. Our Company already has 1,61,400 sq. ft. of land located out of which 2,798 sq. ft. would be allotted for the proposed facility.

For details on the properties owned by our company, please refer to paragraph titled *"Properties"* beginning on page 140 of the Red Herring Prospectus.

The breakdown of proposed investment for the Product Development Laboratory at Mahad, Maharashtra is as follows:

(₹ in lacs)

Sr. No.	Particulars	Amount
	Product Development Laboratory, Mahad, Maharashtra	
A	Building and Construction	112.12
B	Plant and Machinery	41.15
C	Contingency (5% of A and B)	7.68
	Total	**160.95**

A. Building and Construction

(₹ in lacs)

Sr. No.	Description	Contractor / Supplier	Date of Quotation	Basic Price	Other Costs*	Total Price	Total Amount
1	Building and Civil Construction	R. Ramaswamy, Chartered Engineer	July 31, 2010	55.95	-	55.95	55.95
2	Electrification	KGN Electric & Maintenance Works	July 25, 2010	5.36	0.65	6.01	6.01
3	Painting and beautification	Kayyum Construction, Civil Contractor	June 27, 2010	0.66	-	0.66	0.66
4	Insulation (Reactor & Utility Line)	Kamal Insulation	June 4, 2010	8.00	-	8.00	8.00
5	Piping and Fabrication	Dosti Fabrication	June 9, 2010	36.67	3.33	40.00	40.00
6	Instrumentation	KGN Electricals	July 10, 2010	1.33	0.17	1.50	1.50
	Total						**112.12**

**Other costs include Excise Duty, VAT / Sales Tax and other incidental costs wherever applicable.*

B. Plant and Machinery

(₹ in lacs)

Sr. No.	Description	Contractor / Supplier	Date of Quotation	Qty.	Basic Price	Other Costs*	Total Price	Total Amount
1	Glass Assembly 50L	SV Glass Industries	May 16, 2010	4	1.71	0.21	1.92	7.70
2	Glass Assembly 100L	SV Glass Industries	May 16, 2010	2	2.48	0.31	2.79	5.58
3	SS316 Reactor 250	Vision Engineering Equipments	July 20, 2010	2	3.80	0.41	4.21	8.42
4	Auto Clave	Vision Engineering Equipments	July 20, 2010	1	15.00	1.57	16.57	16.57
5	Shell and tube Heat Exchanger SS316 4 m2	Vision Engineering Equipments	July 20, 2010	2	1.30	0.15	1.45	2.90
	Total							**41.15**

**Other costs include Excise Duty, VAT / Sales Tax and other incidental costs wherever applicable.*

7) SETTING UP OF STORES BUILDING AT MAHAD, MAHARASHTRA

Our Company proposes to use ₹ 705.88 lacs out of the Net Proceeds of the Issue, for the establishment of a stores building at Mahad which is expected to be set up by December, 2011. This facility is proposed to be located over a built-up area of approximately 21,567 sq. ft., spread over ground plus three floors with an underground Water harvesting tank of around 9,00,000 Liters capacity for optimum use of the natural resource.

The ground floor is dedicated for storage of third generation anti malarial and will be built as per cGMP norms. To meet the regulatory requirements the building is designed in such a manner to enable the movement of the materials in one direction. The facility will include a receiving and de-dusting bay, sampling booth with RLAF, quarantine, approved materials stores, rejected material storage, cool room, storage facility for controlled substances, dispensing area and dispensed material storage. Desired flow will be followed for packaging materials. The first floor is dedicated for the proposed herbal products manufacturing and warehousing. The second floor will be dedicated for cycotoxic raw materials for production of anti cancer APIs and the third floor would be used for administration and offices.

For details on the properties owned by our company, please refer to paragraph titled *"Properties"* beginning on page 140 of the Red Herring Prospectus.

The breakdown of proposed investment for the Stores building at Mahad, Maharashtra is as follows:

(₹ in lacs)

Sr. No.	Particulars	Amount
	Product Development Laboratory, Mahad, Maharashtra	
A	Building and Construction	602.95
B	Plant and Machinery	69.42
C	Contingency (5% of A and B)	33.51
	Total	**705.88**

A. Building and Construction

(₹ In lacs)

Sr. No.	Description	Contractor / Supplier	Date of Quotation	Area/ Qty	Basic Price	Other Costs*	Total Price	Total Amount
1	Building and Construction	R. Ramaswamy, Chartered Engineer	July 31, 2010	-	-	-	452.90	452.90
2	Rain Harvesting Tank	Kayyum Construction, Civil Contractor	July 13, 2010	9	10.00	-	10.00	90.00
3	HVAC, Partition, Coving, Ceiling	Air One Solution	April 19, 2010	-	25.00	-	25.00	25.00
4	Electrification	KGN Electric & Maintenance Works	July 17, 2010	-	17.83	2.17	20.00	20.00
5	Airconditioners. Departmental work	Airtech Engineering & Solutions	July 23, 2010	20	0.48	-	-	9.60
6	Consultancy Charges	SNB Project Management	June 25, 2010	-	5.45	-	5.45	5.45
	Total							**602.95**

**Other costs include Excise Duty, VAT / Sales Tax and other incidental costs wherever applicable.*

B. Plant and Machinery

(₹ in lacs)

Sr. No.	Description	Contractor / Supplier	Date of Quotation	Area/ Qty	Basic Price	Other Costs*	Total Price	Total Amount
1	Racks	Maxima Systems Limited	July 25, 2010	400	-	-	-	12.66
2	Pallets	Maxima Systems Limited	July 25, 2010	500	-	-	-	14.68
3	Sampling & Dispensing Booth	Labguard India Private Limited	July 23, 2010	2	1.15	0.16	1.31	2.62
4	Canteen Development	Bipin Doshi	July 13, 2010	1	10.98	1.27	12.25	12.25
5	Office Development	Bipin Doshi	July 13, 2010	1	24.81	2.40	27.21	27.21
	Total							**69.42**

**Other costs include Excise Duty, VAT / Sales Tax and other incidental costs wherever applicable.*

The prices for the plant and machinery to be purchased as set out above are as per the quotations received from the respective suppliers. We will obtain fresh quotations at the time of actual placement of the order for the respective plant and machinery. As on date, we have not placed order of any of the plant and machinery. The actual cost will thus depend on the prices finally settled with the suppliers and to that extent may vary from the above estimates.

8) MEETING THE EXPENSES FOR BRANDING AND REGISTRATION OF OUR PRODUCTS IN THE INTERNATIONAL MARKETS

a) Brand building exercise

Our Company plans to enhance its brand image and build its own brands in formulation business. This will give not only visibility but also market recognition to our Company in terms of quality and reputation to its products.

In order to enhance the brand image of our Company and to promote its products we plan to undertake various brand building exercises at domestic and international markets. We plan to participate in exhibitions at international level like Apteka Moscow 2010, Arab Business Summit, CphI – World wide, etc. Our Company has earmarked an amount of ₹ 500 lacs out of the proceeds of the issue for brand building exercise over the period of next twenty two months i.e. till March, 2013.

b) Registration of Products/Process

In order, to export pharmaceutical products manufactured by us, we have to get our products/process registered and approved in the markets in which we intend to export. Registration involves the preparation and submission of data dossiers to registration authorities in the intended markets with the aim of obtaining approval to market a new product in these markets. Dossier preparation requires a detailed review of process / product documents, thorough understanding of the market dynamics and accurate compilation of relevant documents. Detailed study on the effect and the efficacy of the process and the product is required to be conducted and details of the results of these studies are submitted as part of the registration process. The cost of carrying these studies varies from country to country. We plan to target countries such as Dominican Republic, Peru, Argentina, Venezuela, Bolivia, Ecuador, El- Salvador, Uganda, Kenya, Tanzania, Ghana, Burkina Faso, Sudan, Ethiopia, Saudi Arabia, Kuwait, Bahrain, Qatar, UAE, Russia, Ukraine Vietnam, Cambodia and Myanmar. Our Company has earmarked an amount of ₹ 500 lacs out of the Net Proceeds of the Issue for the registration of its products over the period of next twenty two months i.e. till March, 2013.

9) GENERAL CORPORATE PURPOSES

Our Company intends to deploy the balance Net Proceeds aggregating ₹ [●] lacs, towards the general corporate purposes, including but not restricted to strategic initiatives, entering into strategic alliances, partnerships, joint ventures etc. and meeting exigencies and contingencies for the project, which our Company in the ordinary course of business may not foresee, or any other purposes as approved by our Board of Directors.

Our management, in response to the dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Issue Proceeds and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

10) **PUBLIC ISSUE EXPENSES**

The expenses for this Issue include Issue management fees, IPO grading expenses, selling commissions, underwriting commission, printing and distribution expenses, fee payable to other intermediaries, statutory advertisement expenses and listing fees payable to the Stock Exchanges, amongst others. The estimated Issue expenses are as under:

(₹ in lacs)

Activity	Expenses*	% of Issue Size	% of Issue expenses
Lead management, Syndicate fees, underwriting and selling commission	[●]	[●]	[●]
Advertisement and marketing expenses	[●]	[●]	[●]
Printing and stationery (including expenses on transportation of the material)	[●]	[●]	[●]
Others (Filing Fees with SEBI, BSE and NSE, Registrar's fees, legal fees, IPO Grading, listing fees, travelling and other misc. expenses etc.)	[●]	[●]	[●]
Total	**[●]**	**[●]**	**[●]**

* *Will be incorporated after finalization of the Issue Price*

Deployment of Funds in the Project

We have incurred the following expenditure on the project till March 31, 2011. The same has been certified by our statutory auditors, Sunil Mistry & Co., Chartered Accountant *vide* certificate dated April 7, 2011.

(₹ in lacs)

Sr. No.	Particulars	Amount Deployed till March 31, 2011
1.	Setting up of cGMP Block for APIs at Mahad, Maharashtra	
	a. Amount incurred on Building and Civil Works	287.58
	b. Amount paid towards procurement of Plant and Machinery	532.14
	Sub total	**819.72**
2.	Public Issue Expenses	84.67
	Sub Total	**84.67**
	Grand Total	**904.39**

The above mentioned deployment has been financed out of the internal accruals. Since the objects of the issue stated are to be funded from the IPO, the amount spent till date on the objects, certified by the statutory auditors, shall be recouped from the proceeds of the Issue.

Working Capital Requirement

The Net Proceeds of this Issue will not be used to meet our working capital requirements as we expect sufficient internal accruals and already have bank limits for working capital to meet our existing and future working capital requirements. However, in the event that there is surplus of funds after deployment from the Net Proceeds of the Issue, the funds may be utilized towards reducing our reliance on working capital facilities.

Interim Use of Funds

The management, in accordance with the approval of the Board of Directors, will have the flexibility in deploying the Issue Proceeds received by us. Pending utilization for the purposes described above, we intend to invest the funds in high quality interest/dividend bearing liquid instruments including money market mutual funds and deposits with banks for the necessary duration and other fixed and variable return instruments.

Monitoring of Utilisation of Funds

We have not appointed a monitoring agency to monitor the utilization of the Issue Proceeds. We will disclose the utilization of the Issue Proceeds under a separate head along with details, for all such Issue Proceeds that have not been utilized. We will indicate investments, if any, of unutilized Issue Proceeds in our financial statements for the relevant Financial Years subsequent to our listing.

Our audit committee will also monitor the utilization of the Issue Proceeds. Pursuant to clause 49 of the Listing Agreement, our Company shall on a quarterly basis disclose to the audit committee the uses and applications of the Issue Proceeds. Further, on an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in the Prospectus and place it before the audit committee. Such disclosure shall be made only until such time that all the proceeds of the Issue have been utilised in full. The statement shall be certified by the Statutory Auditors.

Further, Pursuant to clause 43A of the Listing Agreement, our Company will furnish to the Stock Exchanges on a quarterly basis, a statement indicating material deviations, if any, in the use of Issue Proceeds from the Objects stated in the Prospectus. Our Company shall be required to inform material deviations in the utilization of the Net Proceeds of the Issue to the Stock Exchanges and shall also be required to simultaneously make the material deviations/adverse comments of the audit committee/monitoring agency public through advertisement in newspapers.

No part of the Issue Proceeds of this issue will be paid as consideration to our Promoters, directors, key managerial employees or group concerns/companies promoted by our Promoters, except in the normal course of our business.

BASIC TERMS OF THE ISSUE

The Equity Shares being offered are subject to the provisions of the Companies Act, the Memorandum and Articles of Association of our Company, conditions of RBI approval, if any, the terms of the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus, Bid-cum-Application Form, ASBA Bid-cum-Application Form, the Revision Form, the Confirmation of Allocation Note ("**CAN**"), the listing agreement with the Stock Exchanges and other terms and conditions as may be incorporated in the Allotment Advice, and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, Government of India, Stock Exchanges, RBI, ROC, FIPB and / or other authorities, as in force on the date of the Issue and to the extent applicable.

Terms of Payment

Applications should be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. The entire price of the Equity Shares of ₹ [●] per Equity Share (₹ 10 face value + ₹ [●] premium) is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the excess amount paid on application shall be refunded by us to the applicants.

Ranking of Equity Shares

The Equity Shares being offered shall be subject to the provisions of the Companies Act, Memorandum and Articles of Association and shall rank pari passu in all respects with the other existing shares of our Company including in respect of the rights to receive dividends. The Allottees of the Equity Shares in the Issue shall be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see the section "*Description of Equity Shares and Terms of the Articles of Association of our Company*" beginning on page 324 of the Red Herring Prospectus.

Mode of payment of dividend

We shall pay dividend to our shareholders as per the provisions of the Companies Act, the Articles and the Listing Agreements.

Face Value and Issue Price

The face value of each Equity Share is ₹ 10. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. At any given point of time there shall be only one denomination of Equity Shares, subject to applicable law. The Issue Price is [●] times the face value of the Equity Shares.

Price Band

The Price Band shall be from ₹ [●] to ₹ [●] per Equity Share of face value of ₹ 10 each.

Compliance with SEBI Rules and Regulations

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

Rights of the Equity Shareholder

Subject to applicable laws, the equity shareholders of our Company shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;

- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- Right of free transferability of Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act the terms of the listing agreements executed with the Stock Exchanges, and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association such as those dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and / or consolidation / splitting, please refer to the section titled "*Description of Equity Shares and Terms of the Articles of Association of our Company*" beginning on page 324 of the Red Herring Prospectus.

Market Lot

Under Section 68B of the Companies Act, the Equity Shares shall be allotted only in dematerialized form. In terms of existing SEBI ICDR Regulations, the trading in the Equity Shares shall only be in dematerialized form for all investors. Since trading of the Equity Shares is in dematerialized mode, the tradable lot is one Equity Share. Allocation and allotment of Equity Shares through the Issue will be done only in electronic form, in multiple of one Equity Share, subject to a minimum allotment of [●] Equity Shares. For details of allocation and allotment, please refer to the chapter titled "*Issue Procedure*" beginning on page 293 of the Red Herring Prospectus.

BASIS FOR ISSUE PRICE

The price band will be decided by the company in consultation with the BRLMs and advertised at least two days prior to the Bid/ Issue Opening Date. The Issue Price will be determined by our Company, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares by the Book Building Process. The face value of the equity shares is ₹ 10 each and the Floor Price is [●] times of the face value and the Cap Price is [●] times of the face value.

Qualitative Factors

For details on qualitative factors, refer chapter titled *"Business Overview"* beginning on page 121 of the Red Herring Prospectus.

Quantitative Factors

The information presented in this section for the ten months period ended January 31, 2011, and for the financial years ended March 31, 2010, 2009 and 2008 is derived from our standalone audited restated financial statements prepared in accordance with Indian GAAP. Some of the quantitative factors which may form the basis for computing the price are as follows:

1. Adjusted Basic and Diluted Earnings Per Share

Particulars	EPS (₹)	Weights
Fiscal year ended March 31, 2008	129.88	1
Fiscal year ended March 31, 2009	17.19	2
Fiscal year ended March 31, 2010	30.34	3
Weighted Average EPS	**42.54**	
For the ten months period ended January 31, 2011	45.75	

Note:

- Earnings per share calculations are in accordance with the Accounting Standard 20 "Earnings per Share" issued by Chartered Accountants of India.
- The face value of each Equity Share is ₹ 10 per share.

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

Particulars	P/E at the lower end of the price band ₹ [●]	P/E at the higher end of the price ₹ [●]
Based on EPS of March 31, 2010	[●]	[●]
Based on weighted average EPS	[●]	[●]

Industry P/E – Pharmaceuticals – Indian – Bulk Drugs & Formulations	
Highest	161.1
Lowest	3.1
Average	22.7

Source: Capital Market, Volume XXVI/03, April 04 – April 17, 2011

Industry P/E - Pharmaceuticals – Indian – Formulations	
Highest	31.1
Lowest	2.2
Average	7.6

Source: Capital Market, Volume XXVI/03, April 04 – April 17, 2011

3. Average Return on Net Worth (RONW)

Return on Net Worth as per restated financial statements

Particulars	RONW (%)	Weights
Fiscal year ended March 31, 2008	54.09	1
Fiscal year ended March 31, 2009	41.23	2
Fiscal year ended March 31, 2010	30.33	3
Weighted Average RONW	**37.92**	
For the ten month period ended January 31, 2011	24.04	

4. Minimum Return on increased net worth required for maintaining pre-issue EPS at March 31, 2010 is:

a) At the higher end of the price band [●] %
b) At the lower end of the price band [●] %

5. Net Asset Value (₹)

Particulars	Amount (₹)
Net Asset Value per Equity Share as of March 31, 2010	86.06
Net Asset Value per Equity Share as of the ten month period ended January 31, 2011	170.82
Net Asset Value per Equity Share after the Issue	[●]
Issue Price per Equity Share	[●]

6. Comparison of accounting ratios with peer group companies

We are engaged in the business of manufacturing API's and formulations. We have drawn comparison with the listed companies mentioned hereunder based on the sector our company operates in.

Name of the company	Face Value (₹)	EPS (₹)	RONW (%)	Book Value per Equity Share (₹)	P/E Ratio
Aanjaneya Lifecare Limited*	**10.00**	**30.34**	**30.33**	**86.06**	**[●]****
Peer Group#					
Indoco Remedies Limited	10.00	34.26	13.56	252.67	13.60
Ipca Laboratories Limited	2.00	16.75	23.91	69.15	18.55
Torrent Pharmaceuticals Limited	5.00	24.51	23.54	104.09	23.28
Plethico Pharmaceuticals Limited	10.00	26.62	13.44	197.97	12.95

**Based on restated financial statements of our Company for the year ended March 31, 2010.*
***Based on the Issue Price to be determined on conclusion of book building process and the basic/diluted EPS of our Company.*

For Peer group companies the EPS, RONW and Book Value (B.V.) per equity share figures are based on the standalone audited results for the year ended March 31, 2010 except for Plethico Pharmaceuticals Limited where the EPS, RONW and Book Value (B.V.) per equity share figures are based on the standalone audited results for the year ended December 31, 2009. P/E ratio is based on the standalone Basic and Diluted EPS for the financial year ending March 31, 2010 except for Plethico Pharmaceuticals Limited where the Basic and Diluted EPS is based on the standalone audited results for the year ended December 31, 2009 and Market Price (BSE) as on April 08, 2011.

- *B.V. = Shareholders' funds(i.e. Share Capital plus Reserves and Surplus less Miscellaneous Expenditure to the extent not written off)/actual paid-up number of shares outstanding as on the respective financial year ending*

- *RONW = Profit after Tax /Shareholders' funds (i.e. Share Capital plus Reserves and Surplus less Miscellaneous Expenditure to the extent not written off) X 100*

The face value of our Equity Shares is ₹10 per share and the Issue Price of ₹ [●] is [●] times of the face value of our Equity Shares. The final price would be determined on the basis of the demand from the investors.

The BRLMs believe that the Issue Price of ₹ [●] is justified in view of the above qualitative and quantitative parameters. Prospective investors should also review the entire Red Herring Prospectus, including, in particular chapters titled "*Risk Factors*", "*Business Overview*" and "*Financial Information*" on pages 14, 121 and 192 respectively to have a more informed view.

For the basic terms of the issue, see "*Terms of the Issue*" on page 286 of the Red Herring Prospectus.

STATEMENT OF TAX BENEFITS

The Board of Directors,
Aanjaneya Lifecare Limited
(formerly known as Aanjaneya Biotech Limited)
Aanjaneya House,
Plot 34, Postal Colony, Chembur,
Mumbai – 400 071

Dear Sirs,

Sub: Statement of Tax Benefits

We hereby report that the enclosed annexure states the possible tax benefits that may be available to Aanjaneya Lifecare Limited (the "Company") and to the Shareholders of the Company under the provisions of current tax laws presently in force in India.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws and their interpretations. Hence, the ability of the Company or its Shareholders to derive tax benefits is dependent upon fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed statement are not exhaustive nor are they conclusive. This statement is only intended to provide general information and to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ 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.

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

- the Company or its shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits have been / would be met with;
- the revenue authorities/ courts will concur with the views expressed herein.

Our views are based on the existing provisions of law and its interpretations, which are subject to change from time to time. We do not assume responsibility to up-date the views of such changes. The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. While all reasonable care has been taken in the preparation of this opinion, we accept no responsibility for any errors or omissions therein or for any loss sustained by any person who relies on it.

This report is intended solely for information and for the inclusion in the offer Document in connection with the proposed IPO of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **Sunil Mistry & Co.**
Chartered Accountants

Sunil P. Mistry
Proprietor
Membership No.: 113813
Firm Registration No.: 123435W
Date: April 07, 2011

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

A. SPECIAL TAX BENEFITS TO THE COMPANY

There are no special tax benefits available to the Company.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS OF OUR COMPANY

There are no special tax benefits available to the Company.

C. GENERAL TAX BENEFITS, AVAILABLE TO ALL CATEGORIES OF COMPANIES OR TO THE SHAREHOLDERS OF ANY COMPANY, SUBJECT TO FULFILLING CERTAIN CONDITIONS AS REQUIRED UNDER THE RESPECTIVE ACTS:

BENEFITS AVAILABLE TO THE COMPANY UNDER THE INCOME TAX ACT, 1961

1. Under Section 10(34) of the IT Act, income by way of dividends referred to in Section 115-O received by the Company from domestic companies is exempt from income tax.

2. Under Section 112 of the IT Act and other relevant provisions of the IT Act, long term capital gains, (other than those exempt under Section 10(38) of the IT Act) arising on transfer of shares in the Company, would be subject to tax at a rate of 20 percent (plus applicable surcharge and education cess) after indexation. The amount of such tax should however be limited to 10% (plus applicable surcharge and education cess) without indexation, at the option of the shareholder, if the transfer is made after listing of shares.

3. Under Section 10(38) of the IT Act, long term capital gains arising to a shareholder on transfer of equity shares in the Company would be exempt from tax where the sale transaction has been entered into on a recognized stock exchange of India after 1st October, 2004 and is liable to securities transact ion tax.

4. Under Section 111A of the IT Act and other relevant provisions of the IT Act, short-term capital gains (i.e. if shares are held for a period not exceeding 12 months) arising on transfer of equity share in the Company would be taxable at a rate of 15 percent (plus applicable surcharge and education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to securities transaction tax. Short-term capital gains arising from transfer of shares in a Company, other than those covered by Section 111A of the IT Act, would be subject to tax as calculated under the normal provisions of the IT Act.

5. Under Section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long-term capital gains (other than those exempt under Section 10(38) of the IT Act) arising on the transfer of shares of the Company would be exempt from tax if such capital gain is invested within 6 months after the date of such transfer in the bonds (long term specified assets) issued by:

(a) National Highway Authority of India constituted under Section 3 of The National highway Authority of India Act88;
(b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

The investment made in the long term assets as specified above by the assessee during any financial year is subject to maximum of fifty lacs rupees. If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within three years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year such transfer or conversion. The cost of the long term specified assets, which has been considered under this Section for calculating capital gain, shall not be allowed as a deduction from the income-tax under Section 80C of the IT Act.

6. Deduction under Section 32: As per provisions of Section 32(1)(iia) of the Act, the company is entitled to claim additional depreciation of 20% of the actual cost of any new machinery or plant which has been acquired and installed after 31st March, 2005 subject to fulfilment of conditions prescribed therein.

7. Under Section 115JAA (2A) of the Act tax credit shall be allowed in respect of any tax paid (MAT) under Section 115JB of the Act for any Assessment Year commencing on or after 1st April 2006. Credit eligible for carry forward is the difference between MAT paid and the tax computed as per the normal provisions of the Act. Such MAT credit shall not be available for set-off beyond 7 years immediately succeeding the year in which the MAT credit initially arose.

BENEFITS AVAILABLE TO RESIDENT SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961

1. Under Section 10(34) of the IT Act, income by way of dividends referred to in Section 115-O received on the shares of the Company is exempt from income tax in the hands of shareholders.

2. Under Section 48 of the IT Act, which prescribes the mode of computation of capital gains, provides for deduction of cost of acquisition / improvement and expenses incurred wholly and exclusively in connection with the transfer of a capital asset, from the sale consideration to arrive at the amount of capital gains. However, as per second proviso to Section 48 of the IT Act, in respect of long term capital gains (i.e. shares held for a period exceeding 12 months) from transfer of shares of Indian Company, it permits substitution of cost of acquisition / improvement with the indexed cost of acquisition / improvement, which adjusts the cost of acquisition / improvement by a cost inflation index, as prescribed from time to time.

3. Under Section 10(38) of the IT Act, long term capital gains arising to a shareholder on transfer of equity shares in the Company would be exempt from tax where the sale transaction has been entered into on a recognized stock exchange of India and is liable to securities transact ion tax.

4. Under Section 112 of the IT Act and other relevant provisions of the IT Act, long term capital gains, (other than those exempt under Section 10(38) of the IT Act) arising on transfer of shares in the Company, would be subject to tax at a rate of 20 percent (plus applicable surcharge and education cess) after indexation. The amount of such tax should however be limited to 10% (plus applicable surcharge and education cess) without indexation, at the option of the shareholder, if the transfer is made after listing of shares.

5. Under Section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long-term capital gains (other than those exempt under Section 10(38) of the IT Act) arising on the transfer of shares of the Company would be exempt from tax if such capital gain is invested within 6 months after the date of such transfer in the bonds (long term specified assets) issued by:
   (a) National Highway Authority of India constituted under Section 3 of The National highway Authority of India Act;
   (b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

   The investment made in the long term assets as specified above by the assessee during any financial year is subject to maximum of fifty lacs rupees. If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within three years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year such transfer or conversion. The cost of the long term specified assets, which has been considered under this section for calculating capital gain, shall not be allowed as a deduction from the income-tax under Section 80C of the IT Act.

6. Under Section 54F of the IT Act and subject to the conditions specified therein, long-term capital gains (other than those exempt from tax under Section 10(38) of the IT Act) arising to an individual or a Hindu Undivided Family ('HUF') on transfer of shares of the Company will be exempt from capital gains tax subject to certain conditions, if the net consideration from transfer of such shares are used for purchase of residential house property within a period of 1 year before or 2 years after the date on which the transfer took place or for construction of residential house property within a period of 3 years after the date of such transfer.

7. Under Section 111A of the IT Act and other relevant provisions of the IT Act, short-term capital gains (i.e. if shares are held for a period not exceeding 12 months) arising on transfer of equity share in the Company would be taxable at a rate of 15 percent (plus applicable surcharge and education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to securities transaction tax. Short-term capital gains arising from transfer of shares

in a Company, other than those covered by Section 111A of the IT Act, would be subject to tax as calculated under the normal provisions of the IT Act.

8. In terms of Section 36(xv) of the Act, the securities transaction tax paid by the shareholder in respect of the taxable securities transactions entered into in the course of his business would be eligible for deduction from the amount of income chargeable under the head "Profit and gains of business or profession" arising from taxable securities transactions. As such, no deduction will be allowed in computing the income chargeable to tax as capital gains, such amount paid on account of securities transaction tax.

BENEFITS AVAILABLE TO MUTUAL FUNDS

1. As per the provisions of Section 10(23D) of the IT Act, Mutual Funds registered under the Securities and Exchange Board of India or Mutual Funds set up by Public Sector Banks or Public Financial Institutions or authorized by the Reserve Bank of India and subject to the conditions specified therein, would be eligible for exemption from income tax on their income.

BENEFITS AVAILABLE TO FOREIGN INSTITUTIONAL INVESTORS ('FIIS')

1. Under Section 10(34) of the IT Act, income by way of dividends referred to in Section 115-O received on the shares of the Company is exempt from income tax in the hands of shareholders.

2. Under Section 10(38) of the IT Act, long term capital gains arising to a shareholder on transfer of equity shares in the Company would be exempt from tax where the sale transaction has been entered into on a recognized stock exchange of India and is liable to securities transaction tax.

3. Under Section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long-term capital gains (other than those exempt under Section 10(38) of the IT Act) arising on the transfer of shares of the Company would be exempt from tax if such capital gain is invested within 6 months after the date of such transfer in the bonds (long term specified assets) issued by:

   (a) National Highway Authority of India constituted under Section 3 of The National Highway Authority of India Act;
   (b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

   The investment made in the long term assets as specified above by the assessee during any financial year is subject to maximum of fifty lacs rupees. If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within three years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year such transfer or conversion. The cost of the long term specified assets, which has been considered under this Section for calculating capital gain, shall not be allowed as a deduction from the income-tax under Section 80C of the IT Act.

4. Under Section 115AD(1)(ii) of the Act short term capital gains on transfer of securities shall be chargeable @ 30% and 10% (where such transaction of sale is entered on a recognized stock exchange in India and is liable to securities transaction tax). The above rates are to be increased by applicable surcharge and education cess.

Under Section 115AD(1)(iii) of the Act income by way of long term capital gain arising from the transfer of shares (in cases not covered under Section 10(38) of the Act) held in the company will be taxable @10% (plus applicable surcharge and education cess). It is to be noted that the benefits of indexation and foreign currency fluctuations are not available to FIIs.

5. As per Section 90(2) of the IT Act, provisions of the Double Taxation Avoidance Agreement between India and the country of residence of the FII would prevail over the provisions of the IT Act to the extent they are more beneficial to the FII.

6. In terms of Section 36(xv) of the Act, the securities transaction tax paid by the shareholder in respect of the taxable securities transactions entered into in the course of his business would be eligible for deduction from the amount of income chargeable under the head "Profit and gains of business or profession" arising from taxable securities transactions. As such, no deduction will be allowed in computing the income chargeable to tax as capital gains, such amount paid on account of securities transaction tax.

BENEFITS AVAILABLE TO VENTURE CAPITAL COMPANIES/ FUNDS

1. Under Section 10(23FB) of the IT Act, any income of Venture Capital companies/ Funds (set up to raise funds for investment in venture capital undertaking notified in this behalf) registered with the Securities and Exchange Board of India would be exempt from income tax, subject to conditions specified therein. As per Section 115U of the IT Act, any income derived by a person from his investment in venture capital companies/ funds would be taxable in the hands of the person making an investment in the same manner as if it were the income received by such person had the investments been made directly in the venture capital undertaking.

BENEFITS AVAILABLE TO NON-RESIDENTS / NON-RESIDENT INDIAN SHAREHOLDERS (OTHER THAN MUTUAL FUNDS, FIIS AND FOREIGN VENTURE CAPITAL INVESTORS)

1. Under Section 10(34) of the IT Act, income by way of dividends referred to in Section 115-O received on the shares of the Company is exempt from income tax in the hands of shareholders.

2. Under Section 10(38) of the IT Act, long term capital gains arising to a shareholder on transfer of equity shares in the Company would be exempt from tax where the sale transaction has been entered into on a recognized stock exchange of India and is liable to securities transaction tax.

3. Under the first proviso to Section 48 of the IT Act, in case of a non resident shareholder, in computing the capital gains arising from transfer of shares of the company acquired in convertible foreign exchange (as per exchange control regulations) (in cases not covered by Section 115E of the IT Act-discussed hereunder), protection is provided from fluctuations in the value of rupee in terms of foreign currency in which the original investment was made. Cost indexation benefits will not be available in such a case. The capital gains/loss in such a case is computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively in connection with such transfer into the same foreign currency which was utilized in the purchase of the shares.

4. Under Section 112 of the IT Act and other relevant provisions of the IT Act, long term capital gains, (other than those exempt under Section 10(38) of the IT Act) arising on transfer of shares in the Company, would be subject to tax at a rate of 20 percent (plus applicable surcharge and education cess) after indexation. The amount of such tax should however be limited to 10% (plus applicable surcharge and education cess) without indexation, at the option of the shareholder, if the transfer is made after listing of shares.

5. Under Section 54EC of the IT Act and subject to the conditions and to the extent specified therein, long-term capital gains (other than those exempt under Section 10(38) of the IT Act) arising on the transfer of shares of the Company would be exempt from tax if such capital gain is invested within 6 months after the date of such transfer in the bonds (long term specified assets) issued by:

   (a) National Highway Authority of India constituted under Section 3 of The National Highway Authority of India Act;
   (b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

   The investment made in the long term assets as specified above by the assessee during any financial year is subject to maximum of fifty lacs rupees. If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within three years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year such transfer or conversion. The cost of the long term specified assets, which has been considered under this Section for calculating capital gain, shall not be allowed as a deduction from the income-tax under Section 80C of the IT Act.

6. Under Section 54F of the IT Act and subject to the conditions specified therein, long-term capital gains (other than those exempt from tax under Section 10(38) of the IT Act) arising to an individual or a Hindu Undivided Family ('HUF') on transfer of shares of the Company will be exempt from capital gains tax subject to certain conditions, if the net consideration from transfer of such shares are used for purchase of residential house property within a period of 1 year before or 2 years after the date on which the transfer took place or for construction of residential house property within a period of 3 years after the date of such transfer.

7. Under Section 111A of the IT Act and other relevant provisions of the IT Act, short-term capital gains (i.e., if shares are held for a period not exceeding 12 months) arising on transfer of equity share in the Company would be taxable at a rate of 15 percent (plus applicable surcharge and education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to securities transaction tax. Short-term capital gains arising from transfer of shares in a Company, other than those covered by Section 111A of the IT Act, would be subject to tax as calculated under the normal provisions of the IT Act.

8. Where shares of the Company have been subscribed in convertible foreign exchange, Non-Resident Indians (i.e. an individual being a citizen of India or person of Indian origin who is not a resident) have the option of being governed by the provisions of Chapter XII-A of the IT Act, which inter alia entitles them to the following benefits:

   i. Under Section 115E, where the total income of a non-resident Indian includes any income from investment or income from capital gains of an asset other than a specified asset, such income shall be taxed at a concessional rate of 20 per cent (plus applicable surcharge and education cess). Also, where shares in the company are subscribed for in convertible foreign exchange by a Non-Resident India, long term capital gains arising to the non-resident Indian shall be taxed at a concessional rate of 10 percent (plus applicable surcharge and education cess). The benefit of indexation of cost and the protection against risk of foreign exchange fluctuation would not be available.

   ii. Under provisions of Section 115F of the IT Act, long term capital gains (in cases not covered under Section 10(38) of the IT Act) arising to a non-resident Indian from the transfer of shares of the Company subscribed to in convertible Foreign Exchange (in cases not covered under Section 115E of the IT Act) shall be exempt from Income tax, if the net consideration is reinvested in specified assets or in any savings certificates referred to in Section 10(4B), within six months of the date of transfer. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets are transferred or converted into money within three years from the date of their acquisition.

   iii. Under provisions of Section 115G of the IT Act, it shall not be necessary for a Non-Resident Indian to furnish his return of income under Section 139(1) if his income chargeable under the Act consists of only investment income or long term capital gains or both; arising out of assets acquired, purchased or subscribed in convertible foreign exchange and tax deductible at source has been deducted there from as per the provisions of Chapter XVII-B of the IT Act.

   iv. In accordance with the provisions of Section 115H of the Act, a Non Resident Indian become assessable as a resident in India, he may furnish a declaration in writing to the assessing officer along with his return of income for that year under Section 139 of the Act to the effect that the provisions of Chapter XII-A shall continue to apply to him in relation to such investment income derived from the specified assets for that year and subsequent assessment years until such assets are converted into money.

9. In terms of Section 36(xv) of the Act, the securities transaction tax paid by the shareholder in respect of the taxable securities transactions entered into in the course of his business would be eligible for deduction from the amount of income chargeable under the head "Profit and gains of business or profession" arising from taxable securities transactions. As such, no deduction will be allowed in computing the income chargeable to tax as capital gains, such amount paid on account of securities transaction tax.

10. As per Section 90(2) of the IT Act, provisions of the Double Taxation Avoidance Agreement between India and the country of residence of the Non-Resident/ Non- Resident India would prevail over the provisions of the IT Act to the extent they are more beneficial to the Non-Resident/ Non-Resident India.

BENEFITS AVAILABLE UNDER THE WEALTH TAX ACT, 1957

Asset as defined under Section 2(ea) of the Wealth tax Act, 1957 does not include shares in companies and hence, shares of the Company held by the shareholders would not be liable to wealth tax.

Notes:

1. The above Statement of Possible Direct Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity Shares;

2. The above Statement of Possible Direct Tax Benefits sets out the possible tax benefits available to the Company and its shareholders under the current tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws, including as laid down by the circular 4/2007 dated 15th June 2007 issued by CBDT concerning capital gain, for availing concessions in relation to capital gains tax;

3. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue;

4. In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile; and

5. The stated benefits will be available only to the sole/first named holder in case the shares are held by joint share holders.

SECTION IV – ABOUT US

INDUSTRY OVERVIEW

Disclaimer: *The information in this section has been extracted from the websites of and publicly available documents from various sources, including but not limited to industry websites and publications. The data on pharmaceutical industry is from the OPPI – E&Y Report, 2009 on "Taking Wings: Coming of Age of the Indian Pharmaceutical Outsourcing Industry" and OPPI – Yes Bank report on "Indian Pharmaceutical Industry: Vision 2015". The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the Issue has verified the information provided in this section. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information. Industry sources and publications are also prepared based on information as on specific dates and may no longer be current.*

ABOUT INDIAN ECONOMY

India is the world's largest democracy by population size and one of the fastest growing economies in the world. According to the CIA World Factbook, India's estimated population was approximately 1.16 billion people as of July 2009. India had an estimated GDP on a purchasing power parity basis of approximately USD 3,297 billion in 2008, making it the fifth largest economy in the world after the European Union, United States of America, China and Japan. In the past, India has experienced rapid economic growth, with GDP growing at an average growth rate of 8.8% between fiscal 2003 to fiscal 2008, as per the RBI's First Quarter Review, 2009-2010.

(Source: *International Monetary Fund, World Economic Outlook Update, July 2009 (Calendar Year Growth Rates))*

The Indian economy has posted an average growth rate of more than 7% in the decade since 1996 reducing poverty by about 10%. Since the year 1990, India has emerged as one of the fastest growing economies in the developing world. This has been accompanied by increases in life expectancy, literacy rates and food security

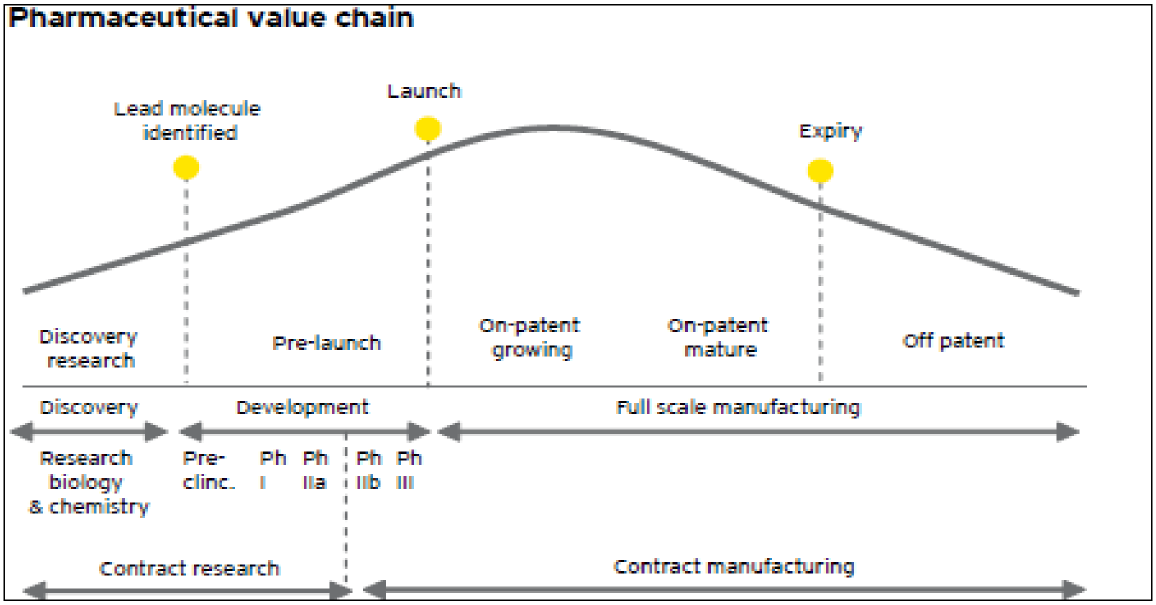
In the last decade, the growing economy has led to significant growth in most industries including telecom, automobiles, media & entertainment and even healthcare.

Growth of Indian Economy (YES Bank/OPPI)

(Source: *OPPI – Yes Bank report on "Indian Pharmaceutical Industry: Vision 2015*)

PHARMACEUTICAL MARKETS

The global pharmaceuticals market can be classified into two categories: regulated and unregulated/semi regulated. The regulated markets are primarily governed by stringent government regulations such as intellectual property protection, including product patent recognition. As a result, regulated markets have greater stability for both volumes and prices while a drug is under patent protection. On the other hand, unregulated/semi-regulated markets have lower entry barriers in terms of regulatory requirements; hence they are highly competitive, with industry players primarily competing on the basis of price.



(Source: *OPPI – E&Y Report, 2009 on "Taking Wings: Coming of Age of the Indian Pharmaceutical Outsourcing Industry"*)

GLOBAL PHARMACEUTICAL MARKET

The global pharmaceutical market grew by 4.8% to reach USD 773 billion in 2008 from USD 715 billion in 2007. The CAGR for the period 2001-2007 was 10.5%. The two largest markets, the US and Europe, which contributed almost 72.3% to the global market in 2008, achieved growth rates of 1.4% and 5.8% respectively. The European market is expected to grow with a CAGR of 2-5% for 2008–2013.

On the other hand, emerging markets like Asia, Africa and Latin America, collectively grew at a CAGR of 12-14% from 2003-2008, and are expected to continue growing at a higher rate over the coming years.

*(**Source:** OPPI – E&Y Report, 2009 on Taking Wings: Coming of Age of the Indian Pharmaceutical Outsourcing Industry)*

INDIAN PHARMACEUTICAL INDUSTRY

The Indian pharmaceutical industry can be classified based on products manufactured as bulk 'actives and formulations'. Based on the markets catered, these can be further classified into domestic and exports. Further, exports can be made to regulated or developed markets like US, Europe, Japan etc and semi-regulated/non-regulated or emerging markets like Asia, Africa and Latin America.

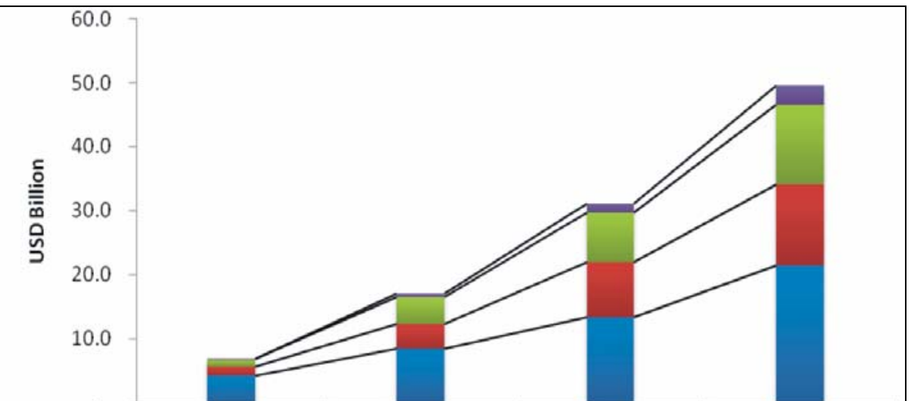
Bulk actives are otherwise known as Active Pharmaceutical Ingredients (APIs) or bulk drugs. They comprise of medicinally active ingredients that are converted into formulations or dosage forms. APIs are either manufactured in-house by formulation companies or they can be outsourced to third party API manufacturers.

Formulations involve developing a preparation of the drug (from APIs and other ingredients) which is both stable and acceptable to the patient. This usually involves incorporating the drug into a tablet, capsules, injectibles, syrups, etc. The formulations are administered to or taken by the patient and are available either by prescription or over-the-counter. A prescription drug is a licensed medicine that is regulated by legislation to require a prescription (usually from a doctor) before it can be obtained. The term is used to distinguish it from over-the-counter drugs which can be obtained without a prescription.

The Indian Pharmaceutical industry has been witnessing phenomenal growth in recent years, driven by rising consumption levels in the country and strong demand from export markets. The pharmaceutical industry in India is estimated to be worth about US$ 10 billion, growing at an annual rate of 9%. In world rankings, the domestic industry stands fourth in terms of volume and 13th in value terms. The ranking in value terms may also be a reflection of the low prices at which medicines are sold in the country.

The industry has seen tremendous progress in terms of infrastructure development, technology base and the wide range of products manufactured. Demand from the exports market has been growing rapidly due to the capability of Indian players to produce cost-effective drugs with world class manufacturing facilities. Bulk drugs of all major therapeutic groups, requiring complicated manufacturing processes are now being produced in India. Pharma companies have developed Good Manufacturing Practices (GMP) compliant facilities for the production of different dosage forms.

In addition to having GMP, WHO, several Indian companies have also been getting plant approvals from international regulatory agencies like US FDA, MCA (UK), TGA (Australia), MCC (South Africa). India possesses the highest number of US FDA approved manufacturing facilities outside the USA and currently tops in filing the drug master files (DMF) with the US FDA. This has also facilitated the domestic industry to attract contract manufacturing opportunities in the rapidly growing generics market.



	2002-03	2007-08 E	2011-12 P	2015-16 P
Contract Research	0.0	0.4	1.3	3.0
Bulk Drug Exports	1.2	4.2	7.8	12.6
Formulation Exports	1.4	4.0	8.6	12.6
Domestic Formulation	4.3	8.4	13.4	21.5

(Source: *OPPI – Yes Bank report on "Indian Pharmaceutical Industry: Vision 2015*)

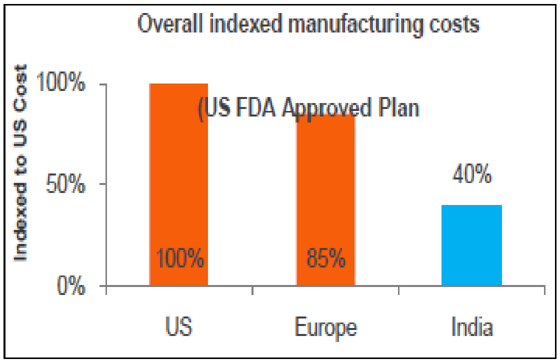
STRENGTHS OF THE INDIAN PHARMACEUTICAL INDUSTRY

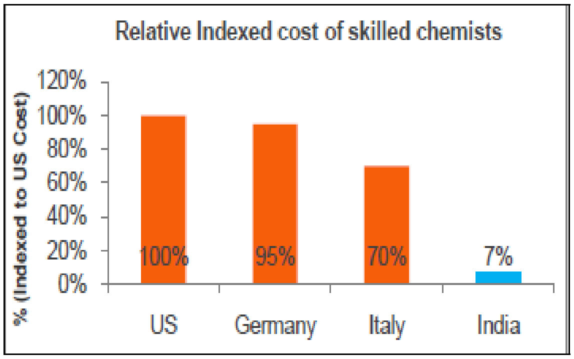
Cost efficiency: On comparing India with some prominent manufacturing locations, it is seen that India rates higher on cost efficiency than all the other countries. This has been possible due to the intrinsic nature of the Indian pharmaceutical Industry and its evolution. The three key factors that contribute to this efficiency include:

Manufacturing costs: The Indian market is highly fragmented with almost 8,000 manufacturers. This high competition has driven Indian companies to relentlessly drive their costs down over the life cycle of a product. The competency developed as a result also reflects in the manufacturing costs of USFDA plants in India, whose costs are 65% lower than that in the US and 50% lower than that in Europe

Installation costs: The cost of setting up a plant in India is 30% lower than that of establishing an FDA plant in the US.

Manpower costs: India's pool of trained chemists and pharmacists is six times as large as the USA's and is available at less than 1/10th the cost.





***(Source:** OPPI – E&Y Report, 2009 on Taking Wings: Coming of age of the Indian Pharmaceutical Outsourcing Industry)*

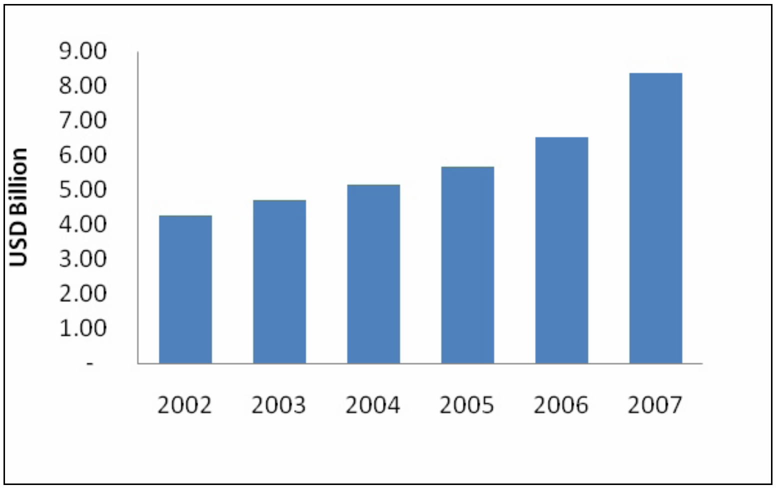
In end-to-end research and development, India offers 61% cost savings vis-à-vis the US. Research chemistry and drug development are stages where close to 85% of savings can be achieved.

DOMESTIC FORMULATIONS MARKET

The India domestic formulation industry grew by approximately 14 % per annum over the last six years to reach USD 8.4 bn in 2007, a growth rate much higher than that of the global pharmaceutical market as a whole. We expect the market to continue its robust growth, touching USD 21.5 billion by the year 2015.

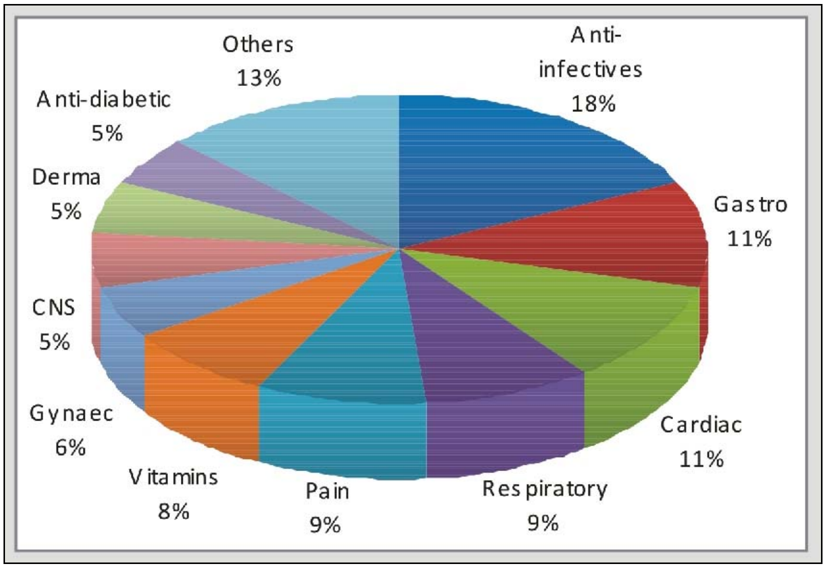
Demand in India is growing markedly due to rising population figures, the increasing number of population over sixty years of age and the development of incomes.

In the coming years leading upto 2015, we expect that the chronic disease segment will drive industry demand. Also, MNC's will increase their presence in the domestic formulation market with 35% market share. Branded generics will continue to dominate, while patent-protected products are likely to constitute 8 % of the market within this timeframe.



Growth in Domestic Formulation Industry (OPPI, ORGIMS)

Currently the largest segment in the domestic pharmaceutical market is anti-infectives – it accounts for one-fifth of total market turnover. Next in line, and accounting for one-tenth each, are cardio- vascular preparations, cold remedies, pain-killers and respiratory solutions. By contrast, the market for treating diseases (such as diabetes, and obesity) or so-called lifestyle drugs (anti-depressants, drugs to help smokers to quit and anti - wrinkle formulations) are of less significance at present, but are expected to grow in the future.



(***Source:*** *OPPI – Yes Bank report on "Indian Pharmaceutical Industry: Vision 2015)*

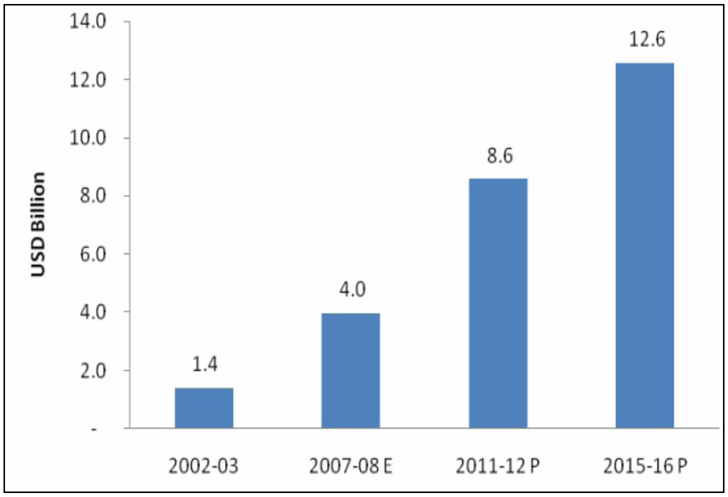
GROWTH DRIVERS OF DOMESTIC FORMULATIONS

1. Increasing per capital income
2. Better pricing power on account of consolidation
3. Growth in population
4. Change in demographics of Indian population
5. Health insurance and change in patent laws

INDIAN FORMULATION EXPORTS

We expect the Indian formulation export to reach around USD 12-13 billion by the year 2015 due to significant growth in the generics industry as well as higher market share of Indian players in the international market space.

Overall, formulation exports from India are expected to grow significantly over the coming years, though the pace of growth will be more moderate than the one seen in recent past. This would be because of the lower base from which formulation exports had an exponential growth over 2002-03 to 2006-07. However, we expect that the growth will continue to be in double digits, paralleling the rise in the scope of generics market internationally, especially in high value markets like North America and Europe and significant presence in the hitherto unexplored market of Japan.



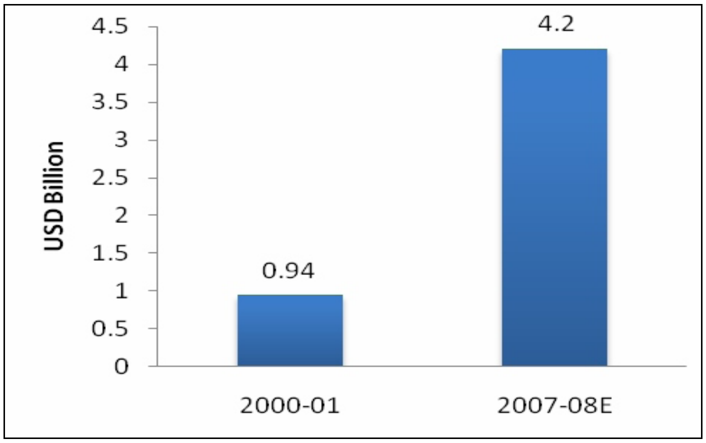
Projections for formulations Exports (YES Bank/OPPI)
(***Source*****:** *OPPI – Yes Bank report on "Indian Pharmaceutical Industry: Vision 2015*)

GLOBAL API INDUSTRY

The global API (Active Pharmaceutical Ingredient) industry has grown substantially over the past few years due to growth in the generic industry. Global bulk drug demand increased at a CAGR of 11% over the last five years to reach USD 84 bn in 2006. It is estimated to have reached USD 90 bn in 2007. The production of bulk drugs worldwide was estimated at 505 mn kgs in 2005, having increased by a CAGR of 5% over a period of five years. Merchant API accounted for around 41% of the total Bulk drug market in 2005. Most of the companies that purchase bulk drugs are generic manufacturers.

India's bulk drug/API exports accounts for 21% of India's pharmaceutical industry, which, in contrast to many developed countries is significantly higher as bulk drugs are mainly manufactured for internal consumption.

Bulk drugs exports grew robustly by 28% CAGR between 2001-02 and 2007-08 to reach an estimated USD 4.2 billion



(**Source**: *OPPI – Yes Bank report on "Indian Pharmaceutical Industry: Vision 2015*)

ADVANTAGE INDIA

Indian companies have done well in the international generics market primarily due to competitiveness in some key areas.

PRODUCT PIPELINE

Most Indian pharmaceutical companies have significant competitive advantages in R&D to build a generic product pipeline. Indian advantages include high technical skill levels in the development of non-infringing processes, bio-equivalent formulations, and development of regulatory submissions, at lower cost.

GEOGRAPHICAL DIVERSIFICATION

Indian companies in the recent past have ventured beyond partly regulated markets. Apart from servicing the markets of Africa, Eastern Asia, Russia and other CIS countries, etc., Indian companies have made significant forays into the highly regulated markets of Europe and North America as well as lesser accredited markets of Australia and South Africa. In recent years companies have also started setting up subsidiaries and registering products in Japan. The wide reach of the companies ensure that using the same basket of products, a company can attain greater sales in markets with varying competitiveness and pricing pressures.

COST COMPETITIVENESS

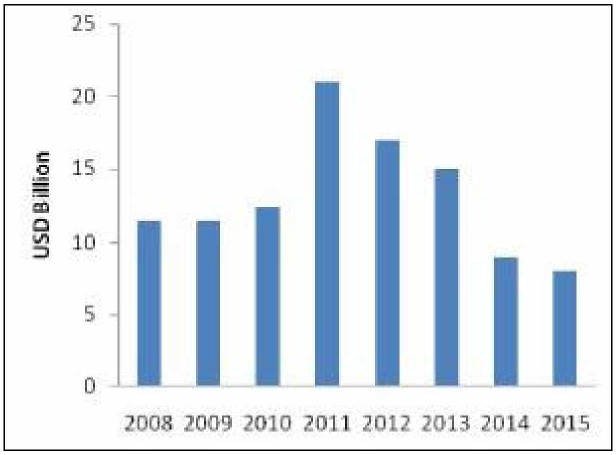
Labor costs in India are about 1/7th the levels in developed countries and offer an obvious cost advantage. Also Indian companies are able to reduce the upfront capital cost of setting up a project by as much as 25-35% due to access to locally fabricated equipment and high quality local technology/ engineering skills.

API SUPPLY

Most Indian companies entering the regulated markets have internal API manufacturing and development capabilities. Clearly, either strategically managed internal API development and manufacturing or strategic sourcing partnerships are essential to the success of the company. American or European generics companies without API capabilities almost always have to source from India/ China.

PATENT EXPIRIES

Many blockbuster drugs in the US market are seeing the expiry of their patents over the coming years. Patents for products worth USD 105 bn are expected to expire over the next nine years, thereby resulting in a number of new generic formulations entering the US market. This leaves a large opportunity for a country like India where the companies are focused on higher revenue generation by sales to regulated markets and are prepared for the same. As a result it can be assumed that the exports by Indian companies will increase over the coming years



Patent Expiry (USD Bn) (INDUSTRY REPORTS)

(***Source***: *OPPI – E&Y Report, 2009 on "Taking Wings: Coming of Age of the Indian Pharmaceutical Outsourcing Industry*)

OPENING UP OF NEW MARKETS - JAPAN

The Japanese pharmacy market has been known for its high regulatory standards as well as its high entry barriers. The market is prone to supporting ethical drugs because of the Japanese Pharmaceutical system where hospitals dispense medication and there are no incentives to doctors or patients from a lower priced generic. However, with rising medical costs resulting from an ageing population (age over sixty years), the Japanese government has modified its laws for generic medication and has thus enabled more companies to file DMFs and formulation dossiers in the country.

Japan is the second largest pharmacy market in the world, with sales of around USD 66.5 billion. However, generic drugs form only 16% of the total market.

The Japanese government intends to raise the share of generic drugs to 40% of the total pharmacy market in a bid to reduce healthcare costs. They have made a number of reforms to encourage generic drugs.
(***Source***: *OPPI – E&Y Report, 2009 on "Taking Wings: Coming of Age of the Indian Pharmaceutical Outsourcing Industry*)

BULK DRUGS IN INDIA

Bulk drug manufacturing is largely concentrated in Andhra Pradesh, which accounts for more than one-third of the country's total bulk drug production, followed by Gujarat. The Indian bulk drug industry has lately been gaining significant presence in the global market as foreign and multinational companies are looking to sourcing APIs and intermediates from Indian manufacturers. Factors favoring the industry are a vast resource of technical people, state of- the-art manufacturing facilities, low cost and the advantage of the English language. As part of government's support to increase exports, duty free zones have been set up and several manufacturers of bulk drugs have been shifting their facilities to these areas. As a result, the diverse spread has now started getting consolidated and concentrated in certain regions across the country.

India has a significant share in the global generics market and is ranked third. In recent years, this segment has been facing stiff competition which makes the scale of production important to improve profitability. India has pre-dominantly been a generic player and has the potential to gain a global presence for the following key developments:

Multiple branded drug patent expirations in the short term. According to IMS Health, in 2006 and 2007 a total of US$ 28 bn and US$ 20 billion, respectively, of branded sales were likely to become susceptible to the entry of generic equivalents. *(Source: http://www.dnb.co.in/Pharmaceutical/overview.asp as viewed on April 01, 2011*)

GLOBAL ESTIMATES OF MALARIA

In 2008, there were an estimated 243 million cases of malaria (5th–95th centiles, 190–311 million) worldwide. The vast majority of cases (85%) were in the African Region, followed by the South-East Asia (10%) and Eastern Mediterranean Regions (4%). Malaria accounted for an estimated 863 000 deaths (5^{th}–95^{th} centiles, 708–1003 million) in 2008, of which 89% were in the African Region, followed by the Eastern Mediterranean (6%) and the South-East Asia Regions (5%). **(*Source*:** *WHO world malaria report 2009***)**

WHO recommendations

a. The treatment of malaria infections should be based on a laboratory-confirmed diagnosis, with the exception of children under 5 years of age in areas of high transmission in whom treatment may be provided on the basis of a clinical diagnosis.

b. All uncomplicated P. falciparum infections should be treated with an artemisinin- based combination therapy and P. vivax with chloroquine and primaquine (except where P. vivax is resistant to chloroquine, when it should be treated with ACT and primaquine).

c. Four ACTs are currently recommended for use: artemetherlumefantrine, artesunate-amodiaquine, artesunate-mefloquine and artesunate-sulfadoxine-pyrimethamine. The choice of the ACT should be based on the efficacy of the partner medicine in the country or area of intended deployment.

d. Patients suffering from severe malaria presenting at the peripheral levels of the health system should be provided pre-referral treatment with quinine or artemisinins, and transferred to a health facility where full parenteral treatment and supportive care can be given.

e. Severe malaria should be treated parenterally with either an artemisinin derivative or quinine until the patient can swallow, when a complete course of ACT must be administered.

(*Source*: *WHO world malaria report 2008*)

India accounts for approximately two thirds of the confirmed cases reported in the South-East Asia Region. In 2008, 96 million slides were examined, from which 1.5 million cases were confirmed. The number of cases has fallen from more than 2 million confirmed in 2000 to 1.5 million cases in 2008. About half the cases confirmed are due to *P. falciparum*. Five states account for 60% of cases: Orissa, Chhattisgarh, Madhya Pradesh, Jharkhand and West Bengal. Other highly endemic states include Arunachal Pradesh, Assam, Meghalaya and Tripura. A demographic and household survey carried out in 2005–2006 found that 36% of households owned a mosquito net. IRS has been the main method of mosquito control, covering about 54 million people at risk. The programme delivered 7.2 million ITNs, more than 3 million first-line treatments and 600 000 courses of ACT during 2008, enough to treat over two thirds of *P. falciparum* malaria cases. Funding for malaria programmes from domestic and external sources increased from US$ 54 million in 2001 to US$ 110 million in 2008, of which 65% was from the Government.

(Source: *Country profile-world malaria report - WHO, 2008)*

GLOBAL ONCOLOGY MARKET

The IMS Global Oncology Forecast estimates that between now and 2012, the oncology market will grow at a compound annual rate of 12% to 15% to reach $75 to $80 billion in global sales-nearly double the forecasted growth rate of the overall pharmaceutical market. In 2008, the class will contribute 17% of the industry’s sales growth. But the 5-year trend will be toward slower growth, and companies with products currently in the late-stage pipeline will be entering the oncology market at a much more challenging time.

(Source: www.imshealth.com as viewed on April 01, 2011)

CONTRACT MANUFACTURING

The contract manufacturing market comprises of bulk drugs as well as formulations. However, the bulk drug contract manufacturing contributes to 77% of the total contract manufacturing market. India has emerged as one of the prime destinations for contract manufacturing due to its low cost, high-efficient manufacturing processes. India has a cost advantage unrivalled by many countries, while offering state of the art manufacturing facilities.

Considering the advantages offered by India, innovator companies are also opting for contract manufacturing out of India. This is further strengthened by the fact that many innovator companies have in recent years focused on cost cutting and thereby have closed down or sold their manufacturing units.

In recent years contract manufacturing has emerged as a major revenue source for Indian companies, contributing to a significant portion of their total revenues.

Contract manufacturing is a growing industry in the country. As more and more innovator companies are reducing manufacturing spend, there is a definite increase in the companies offered contract manufacturing services.

India has one of the largest numbers of FDA approved bulk drug plants in the world outside of USA, numbering to greater than 70. This gives greater confidence to innovator companies around the world as the US FDA facility checks are considered one of the most stringent and widely accepted. As more and more companies are reducing manufacturing spends, there is expected an increase in the revenue from contract manufacturing for Indian companies.

(Source: OPPI – E&Y Report, 2009 on "Taking Wings: Coming of Age of the Indian Pharmaceutical Outsourcing Industry)

GOVERNMENT INITIATIVES

The GoI on its part has taken various policy initiatives for the pharmaceutical sector:

- Fiscal incentives to R&D units in pharmaceutical sector: Units are eligible for weighted tax deduction at 150 % for R&D expenditure incurred under Section 35 (2AB) of the I.T. Act.

- Steps have been taken to streamline procedures covering development of new drug molecules, clinical research, etc.

- Launch of two new schemes—New Millennium Indian Technology Leadership Initiative or NMITLI, and the Drugs and Pharmaceuticals Research Programme or DPRP - especially targeted at drugs and pharmaceutical research.

- Reduction in customs duty from 10% to 5% on select life-saving drugs.

In order to further strengthen India's position in the pharmaceutical manufacturing outsourcing market, the GoI has taken or planning to take several initiatives such as:

- Providing infrastructure support such as building 'Pharmazones', a separate dedicated temperature and atmosphere controlled area to maintain the safety, efficacy, and quality of imported and export drugs / pharmaceutical products at international airports at Delhi, Hyderabad and Mumbai.

- Building capabilities through collaboration with western countries, such as the MoU with the USFDA, WHO, Health Canada, South Africa and the European Medicines Agency.

BUSINESS OVERVIEW

Our Company is a vertically integrated pharmaceutical company with manufacturing and marketing capabilities in APIs (Active Pharmaceutical Ingredients) with focus on anti-malarial, and Finished Dosage Forms (FDFs) catering to various therapeutic segments.

We started our manufacturing activities in the year 2007 with an installed capacity of 2,00,000 kgs per annum for processing quinine, a pharmaceutical API for malaria derived from natural extracts, for supplying to other pharmaceutical companies for their finished dosages forms (FDFs). Our facility for APIs is GMP certified and is located at Additional MIDC, Mahad, Maharashtra. The same is awarded with ISO 14001:2004 (Environment Management System), ISO 9001:2008 & ISO 22000:2005 certifications by BSI Systems. We have also received the Certificate of Suitability from EDQM for our API Product Quinine Sulphate manufactured at our unit in Mahad.

Since our Company's inception, we have made continuous efforts to grow and expand our business and product lines. Our Company's installed capacity for processing quinine has grown from 2,00,000 kgs per annum in the year 2007 to 4,50,000 kgs per annum in the year 2010 with a capacity utilization of 60.89% in FY10 and 64.67% for the ten month period ended January 31, 2011. We have already commenced production of third generation anti malarial APIs i.e. artemisinin and its derivatives and niche API's. We have set up a dedicated small R&D block in Mahad, Maharashtra for manufacturing highly potent anti cancer product from 100 grams to 500 grams. Trial production for this unit is under process. We are also setting up a separate block for manufacturing anti cancer APIs and a separate cGMP block for manufacturing of niche APIs with enhanced capacity and a separate intermediate block for manufacturing the intermediates of niche APIs which have applications in various therapeutic segments.

Our Company's business strategy is to be a vertically integrated with presence in bulk drug manufacturing, intermediate drugs and finished dosage forms. We have recently acquired assets situated at Mulshi, Pune of Prophyla Biologicals (P) Limited, a company engaged in the business of formulations/ FDFs through an asset purchase agreement dated March 30, 2010 and Sale Deed dated October 24, 2010. Prophyla Biologicals (P) Limited is a contract manufacturer of lozenges, syrups and ointment/gels/creams. This acquisition gives us access to tap the potential of the formulation business thereby making us an integrated player with presence in the entire value chain in the pharmaceutical industry. The unit, is GMP certified and is spread over an area of 6,430 sq. mts. at Mulshi, near Pune.

Our Company's present product portfolio consists of second generation, quinine based anti malarial APIs and third generation artemisinin based anti malarial APIs, niche APIs and FDFs. With the expansion of the existing facility and the acquisition of the formulation unit at Pune, our Company's product portfolio will consist of APIs and FDFs which shall be marketed in domestic and international markets as branded generics. In finished dosages, we will cover important therapeutic segments such as anti malarial, pain management, erectile dysfunction and hormone replacement therapy, anti obesity and herbal supplements in syrup and tablet form amongst others. Our herbal formulations are for cough and cold, liver protection, throat congestion and osteoporosis. Presently we are supplying our APIs, niche API's and FDFs both domestically and exporting to around 15 countries namely Kenya, Uganda, Argentina, Cyprus, South Africa, Indonesia, Tanzania, Yemen, West Indies, Switzerland, Vietnam, Congo, Hong Kong, Haiti, Syria and Jordan. In our formulation segment, as contract manufacturer, we supply to companies like Wockhardt, Cipla, Glenmark etc. In our own branded generic segment, we are offering products like Anjtil, Rankorex, Doktor Qure, Prosils, LivChek, Herbal Drops and Esyhil. Further, in 2011, we have also launched products like Aanrich, Actipros, Ulsacare, Apticatch, Anjeniya Curcumacare, and Nicco-nil amongst others.

We have an established R&D centre at our existing facility at Mahad and Pune, Maharashtra. Through the proceeds of the Issue, we propose to expand our R&D centre at Mahad and Pune, Maharashtra. Our R&D centre is focused on improving the existing processes of drug development and reducing the production time and cost. At present, we have 5 patents registered and 5 patents applied in the name of our Company in India, further, we have also acquired rights for 3 patent applications filed for improved and non infringing process for producing anti cancer APIs namely Gemicitabine Hydrochloride, Capacitabine and Docetaxel which are yet to be granted.

At our company, success is measured in terms of customer satisfaction and quality that is built into every product. The value of commitment to quality is also cherished by each of our 261 staff members and is consciously upheld by a network of approximately 130 distributors. We have entered into a management consultancy services agreement dated June 26, 2010 with Rx Pharma India for availing their services for sales management, marketing, and logistics to market our products.

The total income of our Company has grown from 2,238.43 lacs in FY 08 to ₹ 16,935.66 lacs in FY 10 at a CAGR of 175.06 %. The Profit after tax of our Company has grown from ₹ 231.90 lacs in FY 08 to ₹1,507.93 lacs in FY 10 at a CAGR of 155.01 %.

The total income and profit after tax of our Company for the ten month period ended January 31, 2011 is ₹ 29,257.61 lacs and ₹ 3,111.19 lacs respectively.

Our Competitive Strengths

We believe that the following are our primary competitive strengths:

1. ***Vertically integrated business model.***

Our Company has a vertically integrated business model with research and development, manufacturing, marketing and distribution capabilities, with respect to certain finished dosage forms. We believe that this will help our Company in moving up the value chain, control production costs, reduce dependency on third parties and strengthen our position as a low-cost producer, while our research and development team provides additional support for the integrated business model through continued efforts by increasing the number of APIs which can be used to produce the FDF products.

We are an integrated manufacturer of anti malarial drugs which makes us eligible to directly participate in global tender and institutional business. We are an integrated manufacturer of herbal formulations and have introduced our brand LivChek and Prosils in the domestic market and recently in semi regulated export market.

2. ***Multiple Finished Dosage Forms catering to various therapeutic segments.***

In our herbal medication segment we have expertise in extraction of herbal extracts from plants and herbs which are further formulated as syrups, capsules and tablets and sold under our brand name. We manufacture codeine based cough syrups and have introduced the brand 'Rankorex' in the Indian market and are in the process of introducing the same in the semi regulated markets such as Africa, Central America and Middle East.

We are in the process of setting up an independent lozenges block in compliance with EUGMP Guidelines to be commissioned by August, 2011. We are developing lozenges as Ethical Prescription Dosages (EPD) for the following therapeutic segments such as irregular bowel movement, insomnia, stress management, smoking de-addiction, appetite enhancer in kids, prostate cancer (cur cumin), joint pain and diabetics amongst others which our Company believes is a Noval Drug Delivery System (NDDS) since this dosage form is sublingual and has better absorption. Further, our Company has recently launched lozenges for insomnia, stress management, smoking de-addiction, appetite enhancer in kids, prostate cancer, etc.

In the gels and cream segments our Company has patents granted by Indian patent office in 2008. The same are used for hormone replacement therapy in gel form.

3. ***Facility designed to serve multiple products range***

We are presently manufacturing second generation anti malaraial which are Quinine and its salts and have recently commenced commercial production of third generation anti malarial which are Artimisinin based salts. We are in the process of expanding our existing manufacturing facility at Mahad by setting up separate units for manufacturing niche APIs in a separate cGMP block, their intermediates and herbal extracts in a separate Intermediate Block, anti cancer APIs in a dedicated and isolated block. We are also providing a separate and centralised quality control and quality assurance department common to all API blocks. We will be having an R&D Block a Product Development Laboratory (PDL) for development of APIs. Further we propose to construct a dedicated stores building which will provide segregation for liquid, synthetic, cycotoxic and herbal raw materials. Further, the production equipments employed at our production facilities are multipurpose and multi-product. These equipments allow us to produce a variety of APIs and their intermediates by changing the process parameters, input mix and following cleaning validations procedures.

Further, the production facility at our formulation unit is also multipurpose in nature. Therefore, with our flexible manufacturing infrastructure and multiple product range, we can change our product mix in response to changes in the demands of our customers. Currently we are manufacturing lozenges, liquid syrups, gels and ointments. We plan to commission the tablets and capsule manufacturing section by August, 2011.

4. *Compliance with quality standards to serve international markets*

Our GMP certified unit at Mahad, Maharashtra is presently manufacturing quinine and quinine salts and the same is awarded with ISO 14001:2004 (Environment Management System), ISO 9001:2008 and ISO 22000:2005 certifications. We have also received the Certificate of Suitability from EDQM for our API Product Quinine Sulphate manufactured at our unit in Mahad. Our formulations plant at Pune is also GMP and ISO 9001:2008 certified. Such certifications would allow us to market our products in regulated and semi regulated markets.

5. *We have a qualified and experienced employee base and management team with knowledge in healthcare domain*

Our Company is managed by a team of experienced and qualified personnel, possessing an average experience of 15 years in the domestic and international pharmaceutical industry, including in the areas of production, quality control, marketing and finance. Our chairman, Mr. Kashi Vishwanathan has 45 years of experience in the pharmaceutical industry and is the guiding force behind the strategic decisions taken at management levels. Dr. Kannan K. Vishwanath, our vice chairman and Managing Director holds a Bachelors' degree in chemical engineering from University of Pune and a Masters' degree in business administration from Hamilton College USA. He has also been conferred with an Honorary Doctorate from International University of Vienna Austria. With more than 10 years of experience in pharmaceutical industry, he is responsible for spearheading our Company's management, global operations and guiding it through its next phase of growth. Mr. Prabhat K. Goyal, a Director on our Board is a post graduate in organic chemistry and has 33 years of working experience in reputed pharmaceutical companies and is responsible for the day to day operations of our API manufacturing facility in Mahad. Mr. Shashikant B. Shinde a Director on our Board is a post graduate in business administration and holds a Bachelor's degree in Science with over 30 years experience in this industry and is responsible for the day to day operations of our Formulation manufacturing facility in Pune.

Our Promoters and Directors are backed with a team of qualified personnel with relevant domain experience which provides us with a competitive advantage as we seek to expand in our existing product portfolio.

OUR BUSINESS STRATEGY

Our strategic objective is to continue to improve on and consolidate our position in the market by adopting latest technologies. We intend to achieve this by implement the following:

1. *Continue to expand and diversify our product portfolio*

We intend to continue to expand and diversify our existing product offerings in order to cater to different therapeutic segments. Presently, our Company is manufacturing second and third generation anti malarial APIs, niche APIs and FDFs. Going forward, we intend to expand our current facility at Mahad, Maharashtra, for producing niche APIs its intermediate and APIs for anti cancer and herbal extracts.

Further, as a part of our business strategy, we have acquired the formulation unit of Prophyla Biologicals (P) Limited, a contract manufacturer of syrups, lozenges and ointment/gels which will help us in expanding our product portfolio. We are also in the process of expanding the above acquired unit by setting up a facility for manufacturing and packaging of tablets and capsules. Through this acquisition, we shall cover important therapeutic segments such as anti malarial, anti cancer, pain management, erectile dysfunction and hormone replacement therapy, anti obesity amongst others with a focus to offer a wider product portfolio to our existing customer base. This acquisition enables our Company to be present in the entire value chain of our products leading to cost, quality and time control and customisation thereby improving our margins and increase in customer satisfaction.

Further, we are holding a license from Food and Drug Administration, Maharashtra for manufacture of liquids, lozenges and ointments for our Pune facility. In addition to this, we will be outsourcing the products in tablet and capsule dosage form for various therapeutic segments like irregular bowel movement, insomnia, stress management, smoking de-addiction, appetite enhancer, natural immunity booster etc from various companies till our new facilities are commissioned at Pune.

2. Establishing our brands across therapeutic segments

In the year 2007 we started as an API manufacturer and have moved up the value chain by manufacturing FDFs and Branding. We have launched brands such as Anjtil (diareahhea), Rankorex (cough syrup), Doktor Qure (pain management), Prosils (herbal lozenges), EsyHil (crack heel cream), Aanmycin (skin - anti fungal) under the branded generic segment in the domestic market and have launched these brands in the semi regulated markets like Kenya, Tanzania, Haiti, Egypt, Domnican Republic and Jamica.
Further, in 2011, our Company has launched products like Aanrich, Actipros (asthama), Ulsacare (mouth ulcers), Apticatch (appetite enhancer in kids), Anjeniya Curcumacare (prostate cancer) and Nicco-nil (smoking de-addiction), amongst others. under the branded generic segment in the domestic market and are proposing to launch these brands in the semi regulated markets.

3. Focus on increasing our market share for life style and high valued drugs

We have been supplying our APIs to domestic and international markets and have established relationships with our clients. However, going further we intend to enter into life style and value drugs due to better margins in various therapeutic segments namely, hormone replacement therapy, anti obesity and oncology etc. being given in various drug forms. In 2011, our Company has entered into the life style and value drugs segments by cartering to therapeutic segments namely erectile dysfunction and herbal supplements. These drugs are marketed by our Company in the domestic market and have also launched them in the semi regulated markets like Kenya, Tanzania, Haiti, Egypt, Domnican Republic and Jamica.

These products have large markets worldwide. Based on our internal management estimates, these products are manufactured in India only by limited companies for the global markets. We plan to focus our sales and marketing efforts on these product groups to capture larger market shares.

4. Establish our presence in international markets

We plan to establish our presence in the international markets including Russia, Middle East, Central and Latin America, South East Asia, South Africa, Cyprus and Greece in the European Union by filing dossiers in international markets and developing long-term relationships with customers. We believe that demand for our products in these markets will continue to grow in line with changes in healthcare standards, insurance penetration and government spending on healthcare. Increased sales in such countries would allow us to achieve economies of scale. We plan to establish our presence in these markets by product registrations and filings and by increasing our customer base through marketing arrangements with local pharmaceutical companies.

5. *Develop presence in oncology segment*

Our Company intends to develop products for the oncology segment in its portfolio.We have set up a dedicated small R&D block in Mahad, Maharashtra for manufacturing highly potent anti cancer product from 100 grams to 500 grams and are in the process of setting up a separate facility for manufacturing anti cancer APIs and shall utilise ₹ 2,654.71 lacs from the Net Proceeds. Further, we have applied for 5 patents in the name of our Company, 5 patents applied in the name of our Company and have also also acquired rights for 3 patent applications filed for improved and non infringing process for producing anti cancer APIs namely Gemicitabine Hydrochloride, Capacitabine and Docetaxel which are yet to be granted.

Further, we have a trading license from the Food and Drug Administration, Maharashtra for buying and selling of bulk drugs and FDFs. We propose to outsource oncology APIs and FDFs from various companies till our new facilities are commissioned at Pune.

6. *Continue focus on research and development*

Our Company has a research and development centre at our existing facilities at Mahad and Pune, Maharashtra. The research and development team is engaged in improving the processes for existing products thereby improving the cost efficiencies. Further, through the Net Proceeds, we are also in the process of expanding our research and development centre at our facility in Mahad and Pune, which shall be operational by December, 2011.

LOCATION

Currently, we are operating from the following units:

Location	Activity	Total Land Area
K/4-1, Additional Mahad, MIDC, Raigad - 402 309, Maharashtra, India	Manufacturing of APIs, Intermediates drugs and Research and Development	Total area of 15,000 sq. mtrs.
Gut No.123, Pirangut, Taluka- Mulshi, Pune - 412108, Maharashtra, India	Finished Dosage Forms (Lozenges, Ointments/gels, Syrups)	Total area of 6,430 sq. mtrs.

OUR PRODUCTS

Our company is into the following business segments:

1. Active Pharmaceutical Ingredients

2. Formulations/ FDFs

Active Pharmaceutical Ingredients and intermediates

Our Company is presently engaged in the manufacture of APIs, which are off-patent and have developed non-infringing processes for manufacture of APIs. We are focused on the following therapeutic segments:

Present:

Sr. No.	Therapeutic Category	Active Pharmaceutical Ingredients and intermediates	Applications
1	Anti Malarial (Quinine and its salts)	Quinine Sulphate	▪ Antimalarial (falciparum malaria) ▪ Nocturnal leg cramps
		Quinine Hydrochloride	▪ Antimalarial ▪ Nocturnal leg cramps ▪ Antiseptic wash
		Quinine Bi sulphate	▪ Antimalarial ▪ Nocturnal leg cramps
		Quinine Di hydrochloride	▪ Antimalarial (falciparum malaria)
2	Anti Malarial (Artemisinin based derivatives)	Arteether	▪ Antimalarial (Cerebral and Chloroquine resistant malaria)
		Artemether	▪ Antimalarial ▪ Blood Fluke
3	Niche APIs	Bromhexine Hydrochloride – EP	▪ Expectoranant
		Perindopril	▪ Ace Inhibitor

		Ethopabate	▪ Vetinery
		Oxyclozanide	▪ Anthelminthics

Proposed:

Sr. No.	Therapeutic Category	Active Pharmaceutical Ingredients and intermediates	Applications
1.	Anti Cancer	Docetaxel	Treatment of breast, ovarian, and non-small cell lung cancer. (used for chemotherapy)
		Gemcitabine Hydrochloride	Treatment of advanced ovarian, breast and non-small cell lung cancer. (used for chemotherapy)
		Capecitabine	Treatment of metastatic breast and colorectal cancers (orally administered)
		Paclitaxel	Anti Cancer
		Irinotecan Hydrochloride	Anti Cancer
		Topotecan Hydrochloride	Anti Cancer
		Imatinib Mesylate	Anti Cancer
		Gefitinib	Anti Cancer
2	Narcotic drugs	Diphenoxylate Hydrocloride	Diarrhea Obstructive jaundice
		Hydrochlorothiazide – USP	Dieuritic
		Metoclopramide Hydrochloride – USP	Emitic
		Clorsulon	Vetinery
		Primaquine Phosphate	Malaria
		Mefloquine Hydrochloride	Malaria
		Albendazole	Antiparasitic.
		Rafoxanide	Anthelminthics
		Dihydroartemisinin	Anti Malarial
		Artesunate	Anti Malarial
		Lumefantrine	Anti Malarial
3	Niche APIs	Bromhexine Hydrochloride	Expectoranant
		Hydrochlorothiazide	Dieuritic
		Metoclopramide Hydrochloride	Emitic
		Clorsulon	Vetinery
		Perindopril	Ace Inhibitor
		Primaquine Phosphate	Malaria
		Mefloquine Hydrochloride	Malaria
		Albendazole	Antiparasitic.
		Ethopabate	Vetinery
		Rafoxanide	Anthelminthics
		Dihydroartemisinin	Anti Malarial
		Artesunate	Anti Malarial
		Lumefantrine	Anti Malarial
4	Intermediate Drugs	Intermediates of all above Niche APIs	-

Finished Dosage Forms (FDFs)

Present:

Products	Product/Brand Manufactured	Application/Therapeutic segment

Products	Product/Brand Manufactured	Application/Therapeutic segment
Lozenges	Prosils D Cough Lozenges	▪ Dry Cough ▪ Allergic Cough ▪ Smoker's Cough
	Doktor Qure Herbal Lozenges	▪ Dry Cough ▪ Allergic Cough ▪ Smoker's Cough ▪ Productive Cough Bronchitis Nasal Congestion ▪ Cold Symptoms Sinusitis
	Prosils Herbal Throat Lozenges	▪ Dry Cough ▪ Allergic Cough ▪ Smoker's Cough ▪ Productive Cough Bronchitis Nasal Congestion ▪ Cold Symptoms Sinusitis
	Herbal Drops Throat Lozenges	▪ Sore throat and Cough
	Aanfresh Throat Lozenges	▪ Local Anaesthetic ▪ Antiseptic Dry/Allergic Cough ▪ Sore Throat
Syrups	Fercifol Syrup	▪ Pregnancy ▪ Anaemia
	Rankorex Syrup	▪ 'Dry Cough, ▪ Allergic Cough ▪ Smoker's Cough ▪ Productive Cough Bronchitis Nasal Congestion ▪ Cold Symptoms Sinusitis
	Livchek Syrup	▪ Liver Tonic, ▪ Correct Liver Dysfunction ▪ Increases appetite ▪ An Liver Protector
	Doktor Qure Herbal Cough Syrup	Productive and non-productive of varied Etiology along with antimicrobials in respiratory tract infections. For long term use as Respiratory Immunomodulator
	Vitaal Syrup (Multi-vitamin Syrup)	▪ Pregnancy ▪ Anaemia
Ointments	Doktor Qure Pain Reliever	▪ Lower back ache ▪ Muscle sprain, strain ▪ Inflamed and painful joints ▪ Bursitis, ▪ Fibromylgia, ▪ Deep aching pain, ▪ Rib pain, ▪ Wrist and ankle pain
	Esyhil Cream	▪ Dry skin disorder such as cracked heals, chapped hand, fissures
	Aanmycin Cream	▪ Fungal infection with eczema ▪ Secondary dermatoses
Tablets	Anjtil Tablet	▪ Diarrhea

Proposed:

Our Company proposes to develop a range of formulations in various therapeutic segments across various dosage forms such as tablets, capsules, ointments, gels, liquids and lozenges. We also plan to develop products which address obesity, erectile dysfunction, etc. and also develop animal health products, herbal supplements, stimulant/anti-pyritic, etc.

PLANT AND MACHINERY, TECHNOLOGY AND PROCESS

Plant and Machinery

Our manufacturing unit at Mahad, Maharashtra has indigenous plant and machinery, which includes stainless steel reactors, glass lined reactors, fractionating columns, centrifuges, thermal fluid heaters, cooling towers, vacuum pumps, transfer pumps and support equipments like steam boilers, fluid bed driers. These machines are used for different processes including filtrations, reactions and distillations for manufacturing bulk drugs.

Our Company is currently in the process upgrading the manufacturing facility and the installed plant and machinery at Mahad, Maharashtra, to enable it qualify to USFDA standards. The manufacturing facility is being upgraded by refurbishing the existing flooring with latest Epoxy coating and by upgrading the HVAC (ventilations systems). Also we are in process of upgrading the plant and machinery like, the steam boiler, coal fired boiler, the filtration systems are being attached with ultra filtration units, glass lined reactors.

Major manufacturing equipments used at our unit in Pune consist of continuous cooker, batch forming machine, cooling conveyor, pillow packing machines, integrated ointment compounding plant, planetary mixer, monoblock liquid filling/sealing machine, labeling machine, boilers, water treatment plant, effluent treatment plants, generators, air compressors etc. These equipments are of appropriate design, adequate size to facilitate manufacturing of lozenges, ointments and liquids.

At our unit in Pune, we are upgrading the manufacturing facility of liquids and ointments. The HVAC (ventilation systems) and the doors are being changed to qualify as per UKMHRA and USFDA guidelines for manufacturing syrups and ointments. Also, our Company is the process of building a new lozenges unit of 22,500 sq feet which is as per EUGMP & USFDA Guidelines. We have completed the construction for the unit and have ordered the required plant and machinery for the same. The commercial production for this unit is expected to commence from August, 2011.

Further, our Company has also constructed an underground tank with a capacity of 10.50 lacs liters and 6.5 lacs liters at Mahad and Pune respectively to harvest rain water that would be used to manufacture bulk drugs, syrups, ointments and lozenges after it is purified through the water purification system.

For details about the plant and machinery to be purchased out of the proceeds of the Issue, please refer to the chapter titled "*Objects of the Issue*" beginning on page 72 of the Red Herring Prospectus.

Technology and Manufacturing Process

The manufacture of Active Pharmaceutical Ingredients involves a series of multiple step processes by both chemical and physical means under controlled conditions of temperature and pressure. These drug substances can be manufactured by number of processes like chemical synthesis, fermentation and extraction or by recovery from natural resources to produce finished products and intermediates which are saleable.

For each product, our Company identifies several alternative methods of manufacture and chooses the one which is most appropriate for the situation viz., economic, patent non-infringing, achieving a desired quality standard, environment impact etc. Depending on the requirements of the customers, the finished products can be either in different forms. It is then suitably packed in different packaging material.

Brief manufacturing process of our products:

(A) Active Pharmaceutical Ingredients (APIs)

The entire process for salts of quinine can be classified into different stages in which different processes take place as follows:

I. **Pulverization and Blending**: The raw material i.e. cinchona bark is first pulverized in a pulverizer to form fine powder. The powder is then blended and activated in a ribbon blender with lime, 10% caustic soda and water for ½ hour and later charged into an extractor.

II. **Extraction:** Quinine is extracted by using solvent-solvent extraction method, where toluene is the solvent used to extract the quinine in the extractor from the activated cinchona bark. The quinine and toluene are steam heated where the steam is generated by the heating the water in the boiler house using charcoal. This toluene which now contains quinine is removed from the bottom of the extractor and pumped to a day storage tank. This process is repeated till the entire quinine is used up completely.

- **Lead Capsule**: This extracted toluene is then treated with 10% sulphuric acid. In the lead capsule where the sulphuric acid reacts with quinine to form a quinine salt called quinine sulphate. An aqueous layer is formed which is separated and sent to the lead reactor.

- **Lead Reactor**: The lead reactor contains water and 10% Caustic soda is added to it to precipitate. The excess sulphuric acid is neutralized using caustic soda.

III. **Centrifugation**: The precipitate is centrifuged at 1000 rpm to yield crude Quinine Sulphate which is in the form of solid cake.

IV. **Activation:** This crude quinine sulphate is taken in an S.S. Reactor. Water and activated charcoal water are added to it and is stirred at 90° for 1 hour. The colour from the crude quinine salts gets absorbed into the charcoal.

V. **Filtration**: The reacted mixture and the activated charcoal are filtered through a sparkler filter and the clear filtrate is collected, chilled, cooled and then transferred to another reactor for crystallization. It is again centrifuged and dried in a fluid bed drier.

VI. **Milling and Blending**: After the above mentioned process, it is subjected to milling in a Multi-mill and blended, if required in a blender.

VII. **Quality Control and Sampling:** Before the final packing a few samples are sent to the QC lab where various tests are conducted. The QC lab has various equipments like drying oven for drying, HPLC to analyse and modify the structure of the sample, U.V. cabinet for thin layer chromatography, Karl Fischer titration apparatus to determine the moisture content, polarimeter, GC for solvent analysis, Ph meter.

VIII. **Packaging:** Once the quality check is done the material is sent to the packaging department where it is packed in LDPE and HDPE containers and supplied to various parties.

Quinine Sulphate

Pulverized cinchona bark is activated in ribbon blender with hydrated lime and 10% solution of sodium hydroxide. The activated cinchona bark is charged into an extractor along with the toluene and heat to reflux. Then toluene is removed from the bottom of extractor and pump in day storage tank. The extracted toluene is passed through 10% sulphuric acid. The aqueous layer is separated and send to the lead reactor contains water. 10% caustic solution is added slowly to precipitate. Further it is centrifuged to yield crude quinine sulphate. Crude quinine sulphate is dissolved in purified water, in a S. S. Reactor. Activated carbon and the reaction mixture filtered through sparkler filter, this clear filtrate is transferred in another reactor for crystallization. Further, it is centrifuged and dried to yield quinine sulphate.

Quinine Bisulphate

Quinine sulphate is charged into the S.S. Reactor which contains the solvent- water mixture and then slowly sulphuric acid is added and stirred. It is then centrifuged and cooled, filtered and dried in a fluid bed drier to obtain quinine bisulphate. The Quinine bisulphate is then milled using a multimill. It is then blended and packed into LDPE and HDPE containers.

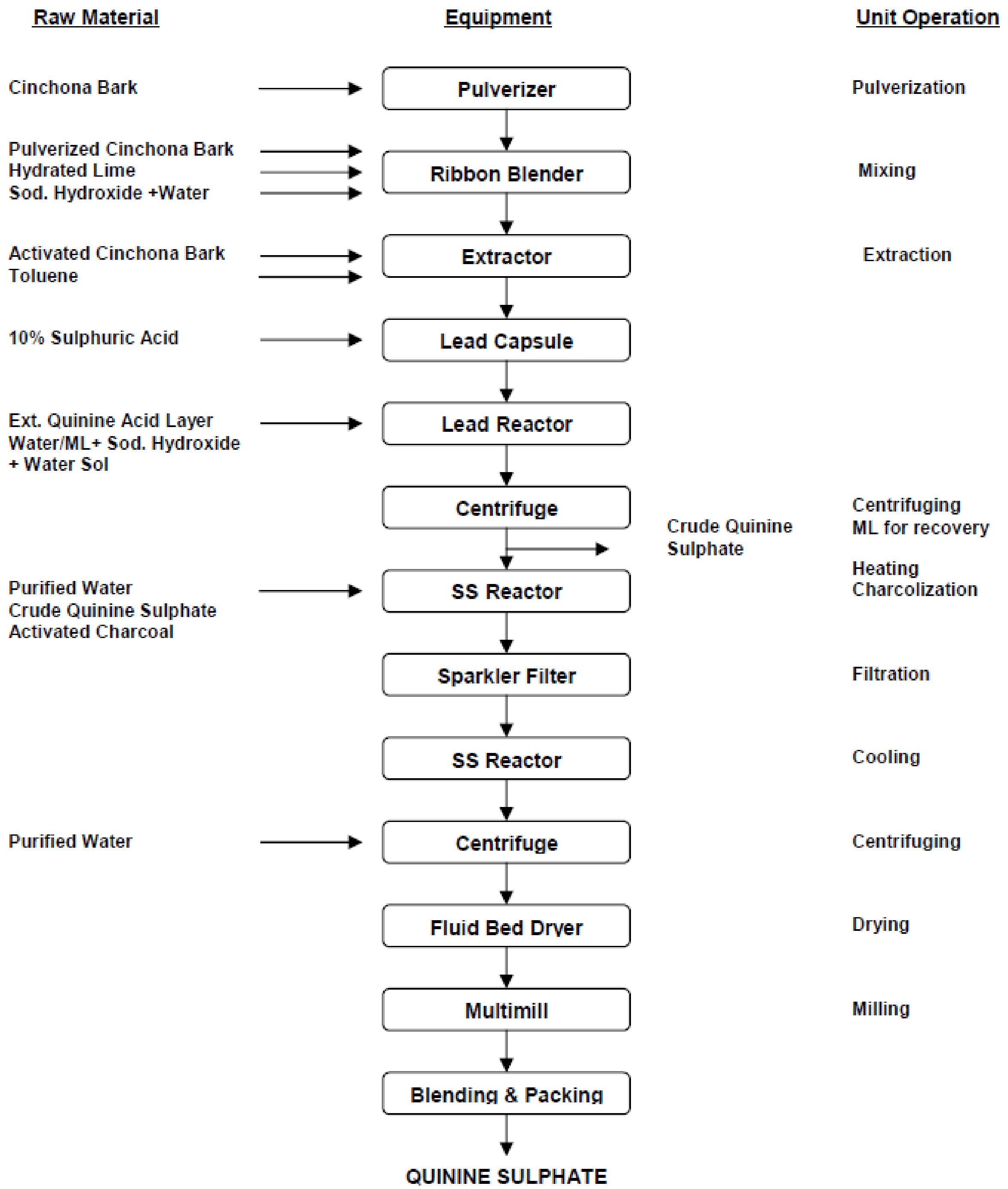
Quinine Dihydrochloride

Quinine hydrochloride is dissolved in acetone and HCL is added. After maintaining the material is filtered and dried to yield to quinine dihydrochloride.

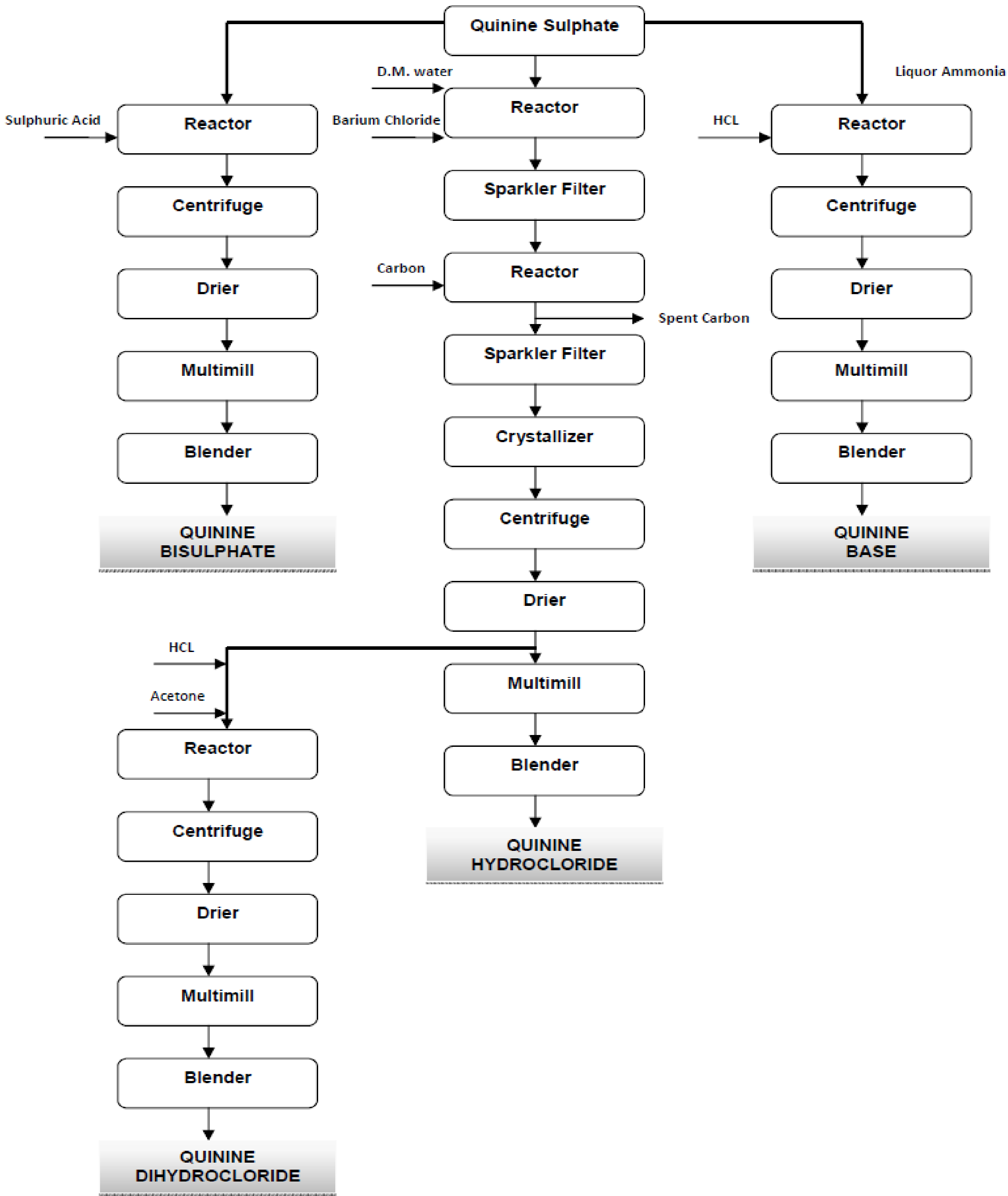
Quinine Hydrochloride

Quinine sulphate and barium chloride is reacted in purified water and filtered through sparkler filter. Barium sulphate hence formed is discarded from sparkler filter. In the clear filtrate charcoal is added for decolorization and filtered. Clear filtrate is transferred to another reactor for crystallization. Crystallization mass is centrifuged and dried to yield quinine hydrochloride.

The general manufacturing process flow for quinine sulphate:

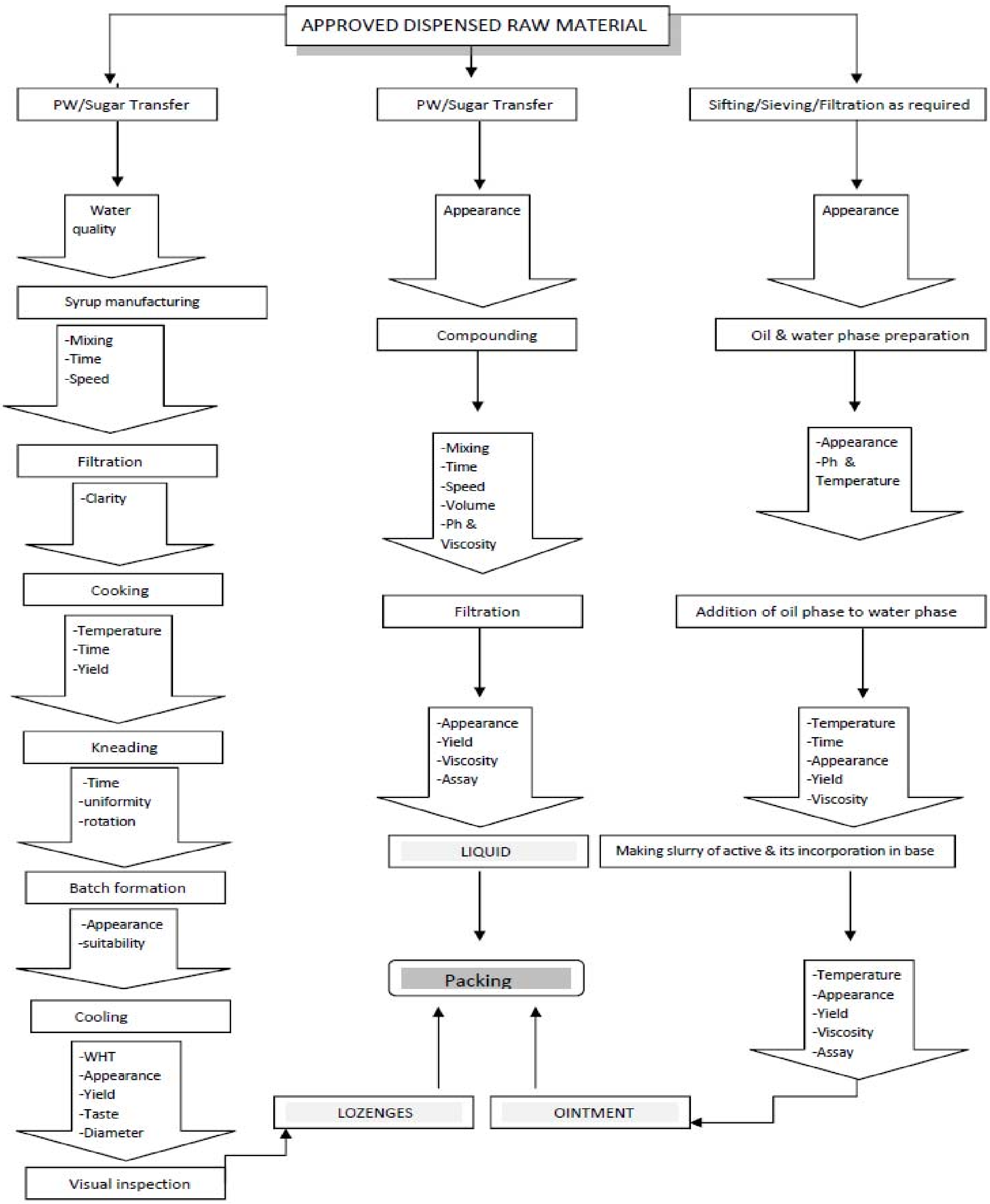


The general manufacturing process flow for the products of our Company is as follows:



(B) Finished Dosage Forms

Process Flow Chart for manufacturing Syrups, Lozenges and Ointment



COLLABORATIONS

Our Company has not entered into any technical or other collaboration as on the date of filing the Red Herring Prospectus.

UTILITIES AND INFRASTRUCTURE FACILITIES

1. Raw Materials

Unit I - Mahad

The basic raw materials used for manufacturing bulk drugs by our company are cinchona bark, artemisinin powder, lime, caustic soda, sulphuric acid, HCL, liquor ammonia and charcoal. Apart from these raw materials various solvents namely water and toluene are required for manufacturing bulk drugs. All these raw materials are procured from both domestic as well as international market at very competitive prices from various suppliers. We generally maintain adequate stock of raw material to cover the existing order book position, which mitigates any adverse effect due to price fluctuation.

Unit II - Pune

The raw materials required for our unit in Pune are procured in the ordinary course of business from various domestic suppliers.

2. Land

Our Company has manufacturing facilities at two plants. Unit I is located at K - 4/1, Additional Mahad, MIDC, Raigad, Maharashtra, India having a total area of 15000 sq. mtrs. and Unit II is located at Gut No.123, Pirangut, Taluka- Mulshi, Pune- 412 108, Maharashtra, India having a total area of 6,430 sq. mtrs. All the manufacturing facilities are well connected by transportation facilities to all the major cities of India. Our Company also owns two portions of land adjacent to Gut No. 123 where its Unit II is located, being Gut No. 122 and Gut no. 97 Pirangut, Taluka- Mulshi, Pune- 412 108, Maharashtra, India admeasuring about 790.41 sq. meters.

3. Power and Fuel

The manufacturing facilities have adequate power supply position from the public supply utilities.The total power required in our manufacturing units in Mahad and Pune is 350 KVA and 220 KVA respectively. The break up of sanctioned load is as under:

Details of the Unit	Sanctioned load
Unit 1- Mahad	500 KVA
Unit 2- Pune	350/180 KVA

Power supply at the above locations is adequate to carry out the manufacturing activities. In case of power failure, our Company has back up facilities in the form of diesel generator sets. This power capacity will be adequate to meet the expanding needs.

For our Mahad unit, we currently use coal for the steam boilers. Further we have a dedicated feeder line from MSEB providing power for 365 days a year. For the Pune unit we currently use light diesel oil as a fuel for operating the boiler.

4. Water

Unit I - Mahad

Our current water consumption is sourced from MIDC. It is used for our manufacturing processes, for cooling and chilling arrangements, for steam generation and other general purposes. We have recently built an underground water storage plant for harvesting rain water.

Unit II - Pune

Our water requirement for the formulation unit is sourced from borewell. The borewell water is then pumped into the water treatment plant for manufacturing processes, drinking, sanitization of premises, washing and cleaning of equipments. We have recently built an underground water storage plant for harvesting rain water.

5. Environmental Aspects

During the manufacturing process of APIs, intermediates and formulations, varied effluents and contaminants are produced. The effluent treatment plants are used in the removal of high amount of organics, debris, dirt, grit, pollution, toxic, non toxic materials, polymers etc. Our Company has installed infrastructure to ensure adequate treatment of all effluents at its manufacturing facilities. Our Company also believes in complying with common Effluent Treatment Plant regulations in relation to the discharge of treated effluents, and common treatment, storage and disposal facilities regulations with respect to the disposal of hazardous wastes.

Our units at Mahad and Pune are members of CHW-TSDF (Common Hazardous Waste Treatment Storage Disposal Facility), managed by Mumbai Waste Management Limited and Maharashtra Enviro Power Limited respectively for disposal of solid /hazardous waste. We have also obtained consents from the respective State Pollution Control Boards, regarding the emission and discharge of effluents in air and water. For further information, please refer to the chapter titled "*Government and Other Statutory Approvals*" beginning on page 259 of the Red Herring Prospectus.

6. Manpower

The manufacturing process requires an appropriate mix of skilled, semi-skilled and un-skilled labour, which is readily available. As on March 31, 2011, our Company had 261 employees.

The detailed break-up of our employees is as under:

Particulars	Management	Officers/Clerks	Workers	Total
Registered Office	17	11	7	35
Mahad unit	9	27	125*	161
Pune unit	9	37	19	65
Total	**35**	**75**	**151**	**261**

*Incudes 19 trainees and 85 contract labourers in our Mahad unit.

7. Research and Development

Our Company believes that research and development is the backbone of a pharmaceutical company. In order to meet the business challenges, our Company has set up a R&D centre for APIs at Mahad and a R&D centre for formulations at Pune are focused on development of non-infringing processes, new drug delivery systems, new dosage formulations, applying new technology for better processes and achieving cost efficiencies.

Unit I - Mahad

Our research and development centre at Mahad comprises of a team of 4 scientists and 7 associates, as at March 31, 2011, with expertise in Thin Layer Chromatography (TLC), fractionation, chemical compounds column chromatography. The centre is well equipped with the latest equipments like drying oven, karl fischer titrator, pH meter, HPLC, stability chambers, vaccum ovens with pumps and all types of glassware and fume hoods to carryout various reactions in the laboratory. The laboratory is also equipped with the analytical instruments like gas chromatographs (GC), UV visible spectrophotometers, infrared spectrophotometer, polarimeter, laminar air flow, BOD incubator and electronic balances.

Going further, we are expanding the R & D centre at our facility in Mahad expected to be commissioned in the December, 2011.

Unit II - Pune

We also have a Research and Development centre at Pune with a team of 3 scientists and 4 associates, as at March 31, 2011, with expertise in formulations and herbal development. The centre is well equipped with various equipments for conducting quality research activities like HPLC, Infrared spectrophotometer for identification, Gas Liquid Chromatography (GLC) for analysis of pesticides, High Pressure Thin Layer Chromatography (HPTLC) for detection and chemical analysis of certain photochemical such as alkaloids, tannins, etc. as well as herbal ingredients.

Going further, we are expending the R&D centre at our facility in Pune expected to be commissioned in the December, 2011.

We intend to leverage our R&D capabilities towards improvement in recoveries of various solvents and intermediates; development of new processes, filing dossiers with various regulatory agencies for increasing our penetration into the semi regulated and regulated markets.

MAJOR SUPPLIERS

The top ten suppliers of our Company contribute to 98.05% of the total purchases made during the ten month period ended January 31, 2011. Other than in normal course of business as on date none of the suppliers are related, associated or have a connection in any manner with our Company.

Following are the top ten suppliers of our Company for the ten month period ended January 31, 2011:

Sr. No.	Top Ten Suppliers	%age to total Purchases for the ten month period ended January 31, 2011
1	Unichem Healthcare	34.59%
2	Venertia Healthfit Co.	29.22%
3	Leonardo Medico	21.86%
4	Epsilon Products	8.35%
5	World Botanical Products S. P. R. L.	1.73%
6	Minechem Impex Limited	0.78%
7	Government Opium and Alkaloid	0.63%
8	Windsonn Holdings Inc	0.56%
9	Gandhi Dye Chem	0.21%
10	TASC Chemical Industries Private Limited	0.12%
	Total	**98.05%**

PAST PRODUCTION FIGURES FOR THE INDUSTRY

The Indian pharmaceutical industry (formulations and bulk drugs) grew at a CAGR of 20% to around 17 billion in 2007-08. In last six years exports, which account for 47% of total industry grew at a CAGR of 27% while the domestic market grew at a CAGR of 14%.

Formulation segment, which constitutes 73% of the total industry, reported a CAGR of 17% while bulk drugs aided by exports grew at a CAGR of 28%. Contract research, a nascent industry in India grew significantly in the past couple of years.
(*Source: OPPI – Yes Bank report on "Indian Pharmaceutical Industry: Vision 2015*)

COMPETITION

Pharma being a global industry, we face competition from various domestic and international manufacturers. In our existing line of business, we face competition from domestic companies like Indoco Remedies Limited, IPCA Laboratories Limited, Torrent Pharmaceuticals Limited, Plethico Pharmaceuticals Limited etc. In oncology segment, major players include Shilpa Medicare Limited, NATCO Pharma Limited etc.

MAJOR CUSTOMERS

Sr. No	Name of the Customer	% to net sales for the ten month period ended January 31, 2011
1.	Arihant Pharma	32.23%
2.	Stanbury Medicare	19.36%
3.	Lyka Medica	11.40%
4.	Clayton Pharmed	11.40%
5.	Ajanta Labs	9.64%
6.	Unijules Lifesciences Limited	8.47%
7.	Sanjivani Parenteral Limited	0.62%
8.	Wockhardt Limited	0.60%
9.	Micro Labs Limited	0.39%
10.	Strides Arcolab Limited	0.38%
	Total	**94.48%**

None of our top ten customers for the ten month period ended January 31, 2011 are related, associated or have connection in any manner with our Company.

APPROACH TO MARKETING AND MARKETING SET-UP

Our approach to marketing has been direct to the customers as well as through a network in the local as well as global markets. Traders primarily identify the customers, negotiate with them, submit our samples along with necessary documentation and ensure product approval. Further, as part of our regular business promotional measures we participate in various exhibitions/seminars /conferences and pharma-related events that also help us in getting information on various potential products are growing in the regulatory and semi regulated markets. We in turn inform the same to our R&D for working on the development of these APIs. Contacts made during the sales conferences and trade fairs are closely followed up by organizing our detailed product offer, samples and specifications. Further, our Company currently has a distributor network comprising of approximately 130 distributors and has also entered into a management consultancy services agreement dated June 26, 2010 with Rx Pharma India for availing their services for sales management, marketing, and logistics to market our products.

Business Promotional activities

As a part of our regular sales promotional measure we also participate in various exhibitions / seminars /conferences and pharma-related events. Contacts made during the sales conferences and trade fairs are closely followed up by organizing our detailed product offers samples and specifications. We also locate and identify companies whose formulations have usage for our APIs. Some of the important events in which our Company has participated in exhibitions such as CPHi India, CPHi South America, CPHi – World wide (International Conference on Pharmaceuticals and Intermediates), FCE Brazil, Medica Apteka – Kenya. We look for participating in International exhibitions such as Apteka Moscow etc.

Export Market

Our company has already been exporting to countries like; Kenya, Uganda, Argentina, Cyprus, South Africa, Indonesia, Tanzania, Yemen, West Indies, Switzerland, Vietnam, Congo, Hong Kong, Haiti, Syria, Jordan etc. However, we plan to establish our presence into the emerging markets such as Russia, Middle East, Latin America, South East Asia etc.. In global markets, our Company shall retain and enhance cost efficient quality leadership in anti malarial drugs. It is the endeavor of our Company to achieve this by resolving complex chemistry challenges, improving process efficiencies, adopting global scale manufacturing and using cost effective market networks.

FUTURE PROSPECTS

The global pharmaceutical market grew by 4.8% to reach USD 773 billion in 2008 from USD 715 billion in 2007. The CAGR for the period 2001-2007 was 10.5%. The two largest markets, the US and Europe, which contributed almost 72.3% to the global market in 2008, achieved growth rates of 1.4% and 5.8% respectively. The European market is expected to grow with a CAGR of 2-5% for 2008–2013.

On the other hand, emerging markets like Asia, Africa and Latin America, collectively grew at a CAGR of 12-14% from 2003-2008, and are expected to continue growing at a higher rate over the coming years.

(Source: OPPI – E&Y Report, 2009 on Taking Wings: Coming of Age of the Indian Pharmaceutical Outsourcing Industry)

LICENSED AND INSTALLED CAPACITY AND CAPACITY UTILIZATION

Past Capacity and Capacity Utilization

Unit I – Mahad

Anti Malarial (Quinine and its derivatives)

Particulars	March 31, 2008	March 31, 2009	March 31, 2010	Ten months ended January 31, 2011
Installed Capacity (Kgs. in ’000)	200	360	450	450
Total Production (Kgs. in ’000)	46	165	274	291
Capacity Utilisation (%)	23	45.83	60.89	64.67

Note: For APIs, the reactors installed are of large capacity so as to accommodate herbal based raw material inputs whose yield can vary from crop to crop. The reactors are also multipurpose in nature; hence there is no direct correlation between installed capacity and actual production.

Projected capacity utilization for next three years

The production facility at our unit in Mahad is multipurpose in nature and therefore the same can be used to manufacture other bulk drugs/APIs.

Unit II – Pune

For ten months ended January 31, 2011

Particulars	Unit	Actual Production	Installed Capacity	Capacity Utilisation (%)
Lozenges	No in Lacs	4,304.67	15,600	27.59
Liquid / Syrup	Ltrs. In thousand	3,094.84	11,600	26.68
Ointment & Gels	Kgs.	1,855.15	6,150	30.17

Note: The Formulation business commenced only from April 1, 2010.

EXPORT OBLIGATIONS, IF ANY

Our Company has twelve advance licenses for import of raw materials. As on March 29, 2011 our Company has the following export obligations:

Sr. No.	Licence No.	Name of the Material	Issue Date	Duty Saved (₹ in lacs)	Export Obligation		Export Obligation completed		Balance Export obligation to be completed		Period upto which Export Obligation to be completed
					Qty (Kgs)	(US$)	Qty (Kgs)	(US $)	Qty (Kgs)	(US$)	
1.	0310495927/3/03/00*	Quinine Sulphate	Dec 01, 2008	32.09	6,000	6,43,807	6,000	6,33,615	Nil	10,192	Nov 30, 2010
2.	0310503001/3/03/00*	Quinine Sulphate	Jan 19, 2009	64.48	12,000	13,80,000	12,000	11,74,050	Nil	2,05,950	Jan 18, 2011
3.	0310544627/3/03/00**	Quinine Hydrochloride	Nov 09, 2009	8.56	1,000	1,29,000	950	1,19,066	50	9,934	Nov 08, 2011
4.	0310553996/3/03/00**	Quinine Sulphate	Jan 06, 2010	33.14	5,000	4,72,650	4,995	4,61,077	5	11,573	Jan 05, 2012
5.	0310553596/3/03/00	Quinine Hydrochloride	Jan 05, 2010	7.59	1,000	1,18,500	620	77,654	380	40,846	Jan 04, 2012
6.	0310562370/3/03/00*	Quinine Sulphate	Feb 26, 2010	17.14	2,500	2,36,325	2,500	2,36,500	Nil	Nil	Feb 25, 2012
7.	0310562365/3/03/00*	Quinine Sulphate	Feb 26, 2010	16.77	2,500	2,36,325	2,500	2,38,000	Nil	Nil	Feb 25, 2012
8.	0310569954/3/03/00	Quinine Sulphate	Apr 19, 2010	28.53	11,000	1,0,04,710	10,565	9,43,595	435	61,115	Apr 18, 2012*
9.	0310588270/3/03/00**	Quinine Bisuplhate	August 18, 2010	Import Pending	1,000	95,000	Nil	Nil	1,000	95,000	August 31, 2013
10.	0310590507/3/03/00**	Quinine Sulphate	September 01, 2010	45.61	8,000	7,84,000	7,350	6,45,775	650	1,38,225	August 31, 2013
		Quinine Hydrocholridee			1,000	1,15,000	Nil	Nil	1,000	1,15,000	
		Quinine Dihydrocholride			1,000	1,25,000	100	25,295	900	99,705	
11.	0310606820/3/03/00	Quinine Sulphate	December 16, 2010	Import Pending	8,000	8,00,000	3,650	4,24,511	4,350	3,75,489	August 31, 2013
12.	0310609785/3/03/00	Quinine Suplhate	January 06, 2011	Import Pending	10,000	10,00,000	Nil	Nil	10,000	10,00,000	August 31, 2014

**Our Company has completed the entire export obligation and has consequently utilised the entire import leverage. However, our Company has yet not received certificate to this effect from Directorate General of Foreign Trade.*

***Import with respect to the license is pending/ partly pending and hence export obligation is yet to be accrued.*

**** Modified on September 23, 2010*

INTELLECTUAL PROPERTY

Trademarks and other proprietary rights are essential to our business. We also rely on patents, trade secrets and know-how to develop, maintain and strengthen our competitive position.

Trade secret protection of unpatented confidential and proprietary information is also important to us. It is our policy to protect our products and technology through patents and trademarks.

This protection is sought in a manner that balances the cost of such protection against obtaining the greatest value for our Company. We also recognise the need to promote the enforcement of our patents, trademarks and other proprietary rights. We will continue to take commercially reasonable steps to enforce our patents and trademarks around the world against potential infringers.

Trademark

We have 124 registered trademarks in India and further applied to register 102 trademarks. Further, pursuant to a Deed of Assignment dated April 01, 2010 we have acquired 3 registered trademarks and 21 pending trademarks from Prophyla Biologicals Private Limited. As on date there are 17 registered and 7 pending trademarks in the name of Prophyla Biologicals Private Limited. Our Company is in the process of submitting to the Trade Mark registry to carry out necessary changes.

Patents

We have 5 registered patents which we have acquired pursuant to a Deed of Assignment dated May 28, 2008 from Benzochem Life Sciences Private Limited. Further, pursuant to a Deed of Assignment dated June 09, 2010 we have acquired the rights to 3 pending applications for process patents from our Chairman, Mr. Kashi Vishwanathan and our Vice Chairman and Managing Director, Dr. Kannan K. Vishwanath. Our Company is in the process of submitting this Deed of Assignment to the concerned authorities to effect the change. We have also submitted three patent applications in the name of our Company. Therefore, as on date we have 5 registered patents and 8 patent applications pending registration.

PROPERTIES

Owned Properties of our Company

Sr. No.	Assets Purchase Agreement**	Name of the Purchaser / Transferee / Occupier	Name of the Seller / Transferor	Consideration (₹)	Area	Particulars of the Property, Description	Usage
1.	March 30, 2010*	Aanjaneya Biotech Private Limited	Prophyla Biologicals (P) Limited	15,13,23, 698.00	Land admeasuring 7,220.516 square meters	Land and building stiatuted at Gut No. 123 (old Gut No. 120), land situated at Gut No. 97 and Gut No. 122, Village &Taluka-Mulshi, Pirangut	Industrial

Sr. No.	Assets Purchase Agreement**	Name of the Purchaser / Transferee / Occupier	Name of the Seller / Transferor	Consideration (₹)	Area	Particulars of the Property, Description	Usage
						Panchayat, Pune – 412108, Maharashtra, India	

*Prophyla Biologicals (P) Limited by its Letter dated October 22, 2010 confirmed that the land situated at Gut No. 97 and Gut No. 122 forms part of the property sold under the Asset Purchase Agreement.
**Our Company entered into a Sale Deed dated October 24, 2010 with Prophyla Biologicals (P) Limited for registering the transfer of the land situated at Gut No. 123, Gut No. 122 and Gut No. 97. By executing and registering this Sale Deed, the land situated at Gut No. 123, Gut No. 122 and Gut No. 97 is transferred to the name of our Company in public records.

Leased properties/properties on leave and license

Sr. No.	Details of Deed / Agreement	Nature of right granted	Particulars of the Property, Description and Area	Consideration/ license fee/Rent (₹)	Tenure/Term	Existing Usage
1.	Lease Deed dated April 09, 2007 between Maharashtra Industrial Development Corporation ("Lessor") and M/s. Anjaneya Biotech Private Limited ("Lessee")	Lease	Land Admeasuring 15,000 Square Meters bearing Plot No. K - 4/1 in Additional Mahad Industrial Area within Village limits of Kalij and outside limits of Mahad Municipal Council in rural area, Taluka and Registration sub-District Mahad, District and Registration District Raigad, Maharashtra, India	₹ 18,00,000 as premium and ₹ 1 yearly rent. Approximately ₹ 18,300 per annum towards stamp duty, recurring charges, cesses, municipal or village panchayat rates or taxes.	95 Years	Industrial
2.	Leave and License Agreement dated July 27, 2010 between Dr. Kannan K. Vishwanath ("Licensor") and Aanjaneya Biotech Limited ("Licensee")	License	Office premises situated at Plot 34, Postal Colony, Chembur, Mumbai – 400 071, Maharashtra, India	₹ 1,00,000 per month.	33 months	Official

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of certain sector specific laws in India, which are applicable to our Company. The information below has been obtained from sources available in the public domain. The summary of laws and policies set forth below may not be exhaustive, and is only intended to provide general information to investors and is neither designed nor intended to substitute for professional legal advice.

INDIAN REGULATIONS

The drugs and formulations industry in India is supervised by the Ministry of Health and Family Welfare, GoI ("MoH"). The MoH issues notifications under the regulations given below and also mandates the requirement of licenses for manufacture or sale or distribution, and also appoints the central license approving authority, the Drugs Controller General of India. The Department of Science and Technology, under the Ministry of Science and Technology, GoI ("MoST"), promotes new areas of science and technology with special emphasis on research and development, and our Company comes under its scanner since one of the major initiatives of our Company is to focus on research and development strategies.

THE MASHELKAR COMMITTEE, 1999 (THE "MASHELKAR COMMITTEE")

The Mashelkar Committee submitted a report to the GoI in 1999, on the drug regulatory framework in India, recommending certain changes in the licensing norms, administrative and investigative apparatus and inspection and monitoring schemes, both at manufacturing level and points of sale. The key recommendation was to centralize drug licensing by creating a new national body to strengthen the implementation of drug laws in India. The recommendations of the Mashelkar Committee have not been incorporated in their entirety.

DRUGS AND COSMETICS ACT, 1940 (THE "DCA")

Matters pertaining to drug formulations, biologicals and APIs are governed by the DCA, which regulates the import, manufacture, distribution and sale of drugs in India as well as aspects relating to labelling, packing, testing and licensing. Under the DCA, while regulation of manufacture, sale and distribution of drugs is primarily the responsibility of the state authorities, the central authorities are responsible for approval of new drugs, clinical trials, laying down standards, control over imported drugs and coordination of activities of state drug control organizations. These procedures involve obtaining a series of approvals for different stages at which drugs are tested, before the Drug Controller General of India (the "DCGI"), an authority constituted under the DCA, which is empowered to grant the final license to allow drugs to be manufactured and marketed. The Central Drugs Standard Control Organization (the "CDSCO") is responsible for testing and approving APIs and formulations in consultation with the DCGI.

At the first instance, an application is made to the DCGI, who issues a no-objection certificate after looking into the medical and chemical data and the toxicity of the drug. The next stage of testing is at the central drug laboratories, where the drug is subjected to a series of tests for its chemical integrity and analytical purity. If the drug meets the standards required by the DCGI, a certificate is issued by the DGCI in that regard. In the case of APIs, the DCGI issues a manufacturing and marketing license which is submitted by the company seeking to produce the drug to the drug control administration of the state (the "State DCA"), which clears the drug for manufacturing and marketing. The State DCA also approves technical staff as per the DCA and the Drugs and Cosmetics Rules, 1945 (the "Drugs Rules") framed in compliance with the World Health Organization (the "WHO") and the current good manufacturing practices' (the "cGMP") inspection norms. The Drugs Rules also provide for certain good manufacturing practices to be followed on premises manufacturing pharmaceutical products and while dealing with the raw materials for the same. In addition, certain specific requirements have been formulated with regard to the manufacture of APIs, like building specifications, product containers, in-process controls, provision of utilities and services etc. that need to be mandatorily complied with.

Under the DCA, the GoI may, by notification in the official gazette, regulate or restrict the manufacture, sale or distribution of a drug, if it is satisfied that such drug is essential to meet the requirements of an emergency arising due to an epidemic or natural calamities and that in the public interest, it is necessary or expedient to do so or that the use of such drug is likely to involve any risk to human beings or animals or that it does not have the therapeutic value claimed or purported to be claimed for it or contains ingredients and in such quantity for which there is no therapeutic justification.

The DCA also regulates the import of drugs into India, and prohibits the import of certain categories of drugs into India, for instance (i) any drug which is not of standard quality, (ii) any misbranded drug, (iii) any adulterated or spurious drug, (iv) any drug for the import of which a licence is prescribed, otherwise than under, and in accordance with, such licence, (v) any patent or proprietary medicine, unless there is displayed in the prescribed manner on the label or container thereof the true formula or list of APIs contained in it together with the quantities thereof, (vi) any drug which by means of any statement, design or device accompanying it or by any other means, purports or claims to cure or mitigate any such disease or ailment, or to have any such other effect, as may be prescribed, and (vii) any drug the import of which is prohibited under the DCA or the Drugs Rules. This restriction shall not apply, subject to prescribed conditions, to the import of small quantities of any drug for examination, testing, analysis or personal use. The GoI may, after consultation with the Drugs Technical Advisory Board, by notification in the official gazette, permit, subject to any conditions specified in the notification, the import of any drug or class of drugs not being of standard quality. Further, if the GoI is satisfied that the use of any drug involves any risk to human beings or animals or that any drug does not have the therapeutic value claimed for it or contains ingredients and in such quantity for which there is no therapeutic justification and that in the public interest it is necessary or expedient so to do, it may, by notification in the official gazette, prohibit the import of such drug or cosmetic.

ESSENTIAL COMMODITIES ACT, 1955 (THE "ECA")

The ECA gives powers to the GoI to, among other things, regulate production, distribution and quality of essential commodities including drugs, for maintaining or increasing supplies and for securing their equitable distribution and availability at fair prices. Using the powers under it, various ministries/departments of the Government have issued control orders for regulating production, distribution, quality aspects, movement and prices pertaining to the commodities which are essential and administered by them. The state governments have issued various control orders to regulate various aspects of trading in essential commodities.

DRUGS (PRICES CONTROL) ORDER, 1995 (THE "DPCO")

The first drug price control orders in India were issued under the Defence of India Act, 1963. Thereafter, from 1970 onwards and until the promulgation of the DPCO, drug price control orders were issued under the ECA. The DPCO was promulgated under the ECA and is to be read with the DCA. The DPCO fixes the price for certain APIs and formulations, which are called scheduled drugs and scheduled formulations, respectively.

The National Pharmaceutical Pricing Authority (the "NPPA"), established under the DPCO on August 29, 1997, is an independent body of experts responsible for the collection of data and study of the pricing structure of APIs and formulations and to enforce prices and availability of medicines in the country, under the DPCO. The NPPA monitors the prices of medicines as per monthly audit reports. Upon recommendation of the NPPA, the Ministry of Chemicals and Fertilizers, GoI, fixes the ceiling prices of the APIs and formulations and issues notifications on drugs which are scheduled drugs and formulations. The NPPA arrives at the recommended prices for the scheduled drugs and formulations after collection and analysis of data on costing which includes data on raw material, composition, packing materials, process losses, overhead allocation and appointment, capacity utilization, technical data on manufacturing work orders and packing work orders.

The GoI has the power under the DPCO to recover amounts charged in excess of the notified price from the manufacturer, importer or distributor of the drugs and the said amounts are to be deposited in the Drugs Prices Equalization Account. The penalty for contravention of any rules and regulations under the ECA or other provisions of the DPCO is minimum imprisonment of three months, which may extend to seven years, and the violator is also liable to pay fine. These provisions are applicable to all scheduled formulations irrespective of whether they are imported or patented, unless they are exempt. Presently there are 74 scheduled drugs under the DPCO, whose prices are controlled by the NPPA.

Prices of non-scheduled formulations are fixed by the manufacturers themselves keeping in view factors like cost of production, marketing expenses, research and development expenses, trade commission, market competition, product innovation and product quality. However, the prices of other (non-scheduled) drugs can be regulated under the ECA and DPCO, if warranted in public interest. Under Section 7 of the ECA, the penalty for contravention of the DPCO is a minimum imprisonment of three months, which may extend to seven years and the violator is also liable to pay fine.

NATIONAL LIST OF ESSENTIAL MEDICINES, 2003

The MoH introduced the National Essential Drugs List (the "NEDL") in 1996, modelled on the WHO Essential Drugs List. The NEDL was meant to be an indicator of availability of the included drugs (approved by the DCGI) in the country. The NEDL was reviewed by a committee of experts constituted by the Director General of Health Services, MoH, and was revised and adopted as the National List of Essential Medicines (the "NLEM") in 2003. Currently, the NLEM has 354 medicines included in it.

DRUG POLICY, 1986 (THE "DRUG POLICY")

The main objectives of the Drug Policy are to ensure abundant availability of essential life saving and prophylactic medicines of good quality at reasonable prices, and strengthening the system of quality control in relation to drug production. It also aims at creating an environment conducive to infusion of fresh investment in the pharmaceutical industry while strengthening indigenous capability for production of drugs. The Drug Policy provided for a controlled pricing mechanism in relation to the prices of drugs, where fixation of prices would be done by the NPPA.

STANDARDS OF WEIGHTS AND MEASURES ACT, 1976 / STANDARDS OF WEIGHTS AND MEASURES (PACKAGED COMMODITIES) RULES, 1977

Standards of Weights and Measures Act, 1976 was passed to establish Standards of Weights and Measures and to regulate its use. Packaging Commodities Rules were framed under the Act to regulate packaging commodities. The Act is designated to (a) standardise weights and measures, (b) control manufacture and sale of weights and measures to ensure accuracy and (c) control over packaging commodities.

Standards of Weights and Measures (Packaged Commodities) Rules, 1977 – The provisions regarding packaging commodities apply to a person who (a) make, manufacture, pack, sell or cause to be packed or sold or (b) distribute, deliver or cause to be distributed or delivered or (c) offer, expose or possess for sale: any commodity in packaged form. The package or the label securely attached to such packing must contain declaration on a package or on label as prescribed.

BIO-MEDICAL WASTE (MANAGEMENT AND HANDLING) RULES, 1998 ("BMW RULES")

The BMW Rules apply to all persons who generate, transport, treat, dispose or handle bio-medical waste in any form and regulate the mode of treatment and disposal of bio-medical waste. The BMW Rules mandate every occupier of an institution generating, collecting, transporting, treating, disposing and/or handling bio-medical waste to take steps to ensure that such waste is handled without any adverse effect to human health and environment and to apply to the prescribed authority for grant of authorisation. The BMW Rules further require such person to submit an annual report to the prescribed authority and also to maintain records related to the generation, collection, storage, transportation, treatment, disposal, and/or any form of handling of bio-medical waste in accordance with rules and guidelines issued.

DRUGS AND MAGIC REMEDIES (OBJECTIONABLE ADVERTISEMENTS) ACT, 1954

This Act was enacted to control the advertisement of drugs in certain cases, to prohibit the advertisement for certain purposes of remedies alleged to possess magic qualities and to provide for matters connected therewith. This Act prohibits advertisement of Certain Drugs for Treatment of certain diseases and disorders. It also prohibits misleading advertisements relating to drugs.

INDIAN PATENT REGULATION

The Patents Act, 1970 (the "Patents Act") governs the patent regime in India. Historically, India granted patent protection only to processes and not to products (i.e., only the process to manufacture a drug is protected and not the drug itself). This meant that if a drug company could find an alternative process to produce the same formulation as a competitor, it could sell such an alternative process in India without fear of patent infringement suits. In 1995, under the general agreement on tariffs and trade, India became a signatory to the trade related agreement on intellectual property rights (the "TRIPS"). The

TRIPS requires India to recognize product patents as well as process patents, which is all that were granted under the Patents Act. The regime provided for recognition of product patents, patent protection period of 20 years as opposed to the previous seven year protection for process, allowed patent protections on imported products, and provided that under certain circumstances, the burden of proof in case of infringement of process patents may be transferred to the alleged infringer. As a developing country, India was granted a grace period of 10 years to comply with product patent laws under the WTO agreement, meaning that the product patent regime came into force in India from 2005, pursuant to the Patents (Amendment) Act, 2005.

The definition of 'inventive step' in the Patents Act has been amended to exclude incremental improvements or ever greening of patents. Under the amended Patents Act, an inventive step must involve a technical advance as compared to the existing knowledge or must have economic significance or both. Further, the invention must be non-obvious to a person skilled in the art. Another amendment, with a view to reducing ever greening of patents, is the expansion of Section 3 of the Patents Act which determines what are not patents. Section 3(d) of the Patents Act has been amended such that the following are not patents:

- the mere discovery of a new form of a known substance which does not result in the enhancement of the known efficacy of that substance, or
- the mere discovery of any new property or new use for a known substance or of the mere use of a known process, machine or apparatus unless such known process results in a new product or employs at least one new reactant.

The explanation to Section 3(d) of the Patents Act clarifies that salts, esters, ethers, polymorphs, metabolites, pure form, particle size, isomers, mixtures of isomers, complexes, combinations, and other derivatives of known substance shall be considered the same substance, unless they differ significantly in properties with regard to efficacy. Hence, this explanation will ensure that derivatives, isomers, metabolites of known substances are not easily patentable without the establishment of significant improvements in properties.
The proviso to Section 11A (7) of the Patents Act has been introduced in the Patents Act to provide protection to those Indian enterprises which have made significant investment and have been producing and marketing a product prior to January 1, 2005, for which a patent has been granted through an application made under Section 5(2) of the Patents Act and have continued to manufacture the product covered by the patent on the date of grant of the patent. In such a case, the patent-holder shall only be entitled to receive reasonable royalty from such enterprises and cannot institute infringement proceedings against such enterprises.

TRADE MARKS

A trademark is used in relation to goods so as to indicate a connection in the course of trade between the goods and some person having the right as proprietor or user to use the mark. A 'mark' may consist of a word or invented word, signature, device, letter, numeral, brand, heading, label, name written in a particular style and so forth. The Trademarks Act, 1999 (the "Trademarks Act") governs the registration, acquisition, transfer and infringement of trademarks and remedies available to a registered proprietor or user of a trademark. The registration of a trademark is valid for a period of 10 years but can be renewed in accordance with the specified procedure. Currently, a person desirous of obtaining registration of his trademark in other countries has to make separate applications in different languages and disburse different fees in the respective countries. However, the Madrid Protocol, administered by the International Bureau of the World Intellectual Property Organization ("WIPO"), of which India is a member country, aims to facilitate global registration of trademarks by enabling nationals of member countries to secure protection of trademarks by filing a single application with one fee and in one language in their country of origin. This in turn is transmitted to the other designated countries through the International Bureau of the WIPO. The Trademarks (Amendment) Bill 2009 was recently tabled before the Lok Sabha, to amend the Trademarks Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademarks in other countries, and to empower the Registrar of Trademarks accordingly, as well as to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to bring the law generally in line with international practice.

NARCOTIC DRUGS AND PSYCHOTROPIC SUBSTANCES ACT, 1985 (THE "NARCOTIC ACT")

The Narcotic Act provides for the GoI to take all measures necessary or expedient for the purpose of preventing and combating abuse of manufactured drugs and the illicit traffic therein.

INDIAN BOILER REGULATIONS, 1950 (THE "BOILER REGULATIONS")

Under the Boiler Regulations, a boiler is inspected by the inspectorate as per the procedure laid down under the Boiler Regulations and if found satisfactory, a certificate is issued for operation for a maximum period of one year. The objective of the Boiler Regulations is mainly to provide for the safety of life and property of persons from the danger of explosions of steam boilers and for achieving uniformity in registration and inspection during operation and maintenance of boilers in India.

EXPLOSIVES ACT, 1884 (THE "EXPLOSIVES ACT")

Under the Explosives Act, the Government has the power to regulate the manufacture, possession, use, sale, transport and importation of explosives and grant of license for the same activities. The Government may prohibit the manufacture, possession or importation of especially dangerous explosives.

FOREIGN TRADE (DEVELOPMENT AND REGULATION) ACT, 1992 (THE "FOREIGN TRADE ACT")

The Foreign Trade Act was enacted to provide for the development and regulation of foreign trade by facilitating imports into and augmenting exports from India. The Foreign Trade Act prohibits anybody from undertaking any import or export except under an importer-exporter code number granted by the Director General of Foreign Trade.

FOREIGN INVESTMENT IN THE PHARMACEUTICAL SECTOR

Foreign direct investment in the Indian pharmaceutical sector is permitted up to 100% through the automatic route, which does not require prior approval of the GoI or the RBI.

Foreign investment in Indian securities is governed by the provisions of the FEMA read with the applicable FEMA Regulations and the Consolidated FDI Policy 2010 issued by the DIPP. Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made.

Under the automatic route, no prior approval of the GoI is required for the issue of securities by Indian companies/acquisition of securities of Indian companies, subject to the sectoral caps and other prescribed conditions. Investors are required to file the required documentation with the RBI within 30 days of such issue/acquisition of securities. Under the approval route, prior approval from the FIPB/RBI is required. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Approvals are accorded on the recommendation of the FIPB, which is chaired by the Secretary, DIPP, with the Union Finance Secretary, Commerce Secretary and other key Secretaries of the GoI as its members.

HISTORY AND OTHER CORPORATE MATTERS

Our Company was originally incorporated as Anjaneya Biotech Private Limited on January 03, 2006 under the Companies Act, 1956 *vide* Certificate of Incorporation bearing CIN: U24230MH2006PTC158589 issued by the Registrar of Companies, Maharashtra, Mumbai. The name of our Company was changed to Aanjaneya Biotech Private Limited *vide* fresh Certificate of Incorporation dated March 08, 2007. Our Company was converted into a public limited company *vide* fresh Certificate of Incorporation dated April 12, 2010 and subsequently the name of our Company was changed to 'Aanjaneya Biotech Limited'. Our Company has been allocated CIN: U24230MH2006PLC158589. The name of our Company was then changed 'Aanjaneya Lifecare Limited' *vide* fresh Certificate of Incorporation dated June 19, 2010. The current Promoters of our Company are Aasda Life Care Limited and Dr. Kannan K. Vishwanath.

Our company was incorporated in the year 2006 and began its commercial production of APIs of salts of quinine a second generation anti malarial, in the year 2007.

In December 2009, pursuant to the acquisition of the then entire paid up capital of our Company by Aasda Life Care Limited, our Company became a wholly owned subsidiary of Aasda Life Care Limited. Thereafter, from time to time further shares were issued to our individual promoter and our Company then ceased to be a wholly owned subsidiary of Aasda Life Care Limited. For further information please refer to the chapters titled *"Capital Structure"* and *"Our Promoters and their Background"* beginning on page 58 and 176 respectively of the Red Herring Prospectus.

In the year 2010 our Company ventured into manufacturing of Finished Dosage Forms by acquiring the assets of Prophyla Biologicals (P) Limited (including plant, machinery, land and building, furniture and fixtures, trade marks and other movables) situated at Gut No. 123, Gut No. 122 and Gut No. 97, Pirangut, Taluka – Mulshi, district, Pune – 411 004, Maharashtra, India, through an Asset Purchase Agreement dated March 30, 2010, Sale Deed dated October 24, 2010 and Deed of Assignment for trademarks dated April 01, 2010. The assets situated at Gut No. 123 constitute our formulation unit at Pune. For further details please refer to the paragraph titled "*Other Agreements*" in the chapter titled *"Material Contracts and Documents for Inspection"* beginning on page 350 of the Red Herring Prospectus.

Our Company has recently commenced manufacturing of APIs of artimisinin based third generation antimalarial and niche APIs.

CHANGES IN REGISTERED OFFICE OF OUR COMPANY

Date of Change	Changes from	Changed to	Reason for Change
August 04, 2008	Vishwam 8/B, Postal Colony, Chembur, Mumbai - 400 071, Maharashtra, India	Aanjaneya House, Plot 34, Postal Colony, Chembur, Mumbai – 400 071, Maharashtra, India.	Administrative convenience

INJUNCTION OR RESTRAINING ORDER

Our Company is not operating under any injunction or restraining order.

OUR SHAREHOLDERS

As on the date of the Red Herring Prospectus, we have seven shareholders in our Company. For further details of our shareholding pattern, please refer to the chapter titled *"Capital Structure"* beginning on page 58 of the Red Herring Prospectus.

REVALUTION OF ASSETS

Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

CHANGES IN THE ACTIVITIES OF OUR COMPANY DURING THE LAST FIVE YEARS

We have not changed the activity of our Company since the date of its incorporation.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/ BANKS

Other than as disclosed in the chapters titled *"Risk Factors"* and *"Outstanding Litigations, Material Developments and Other Disclosures"* beginning on page 14 and 252 respectively of the Red Herring Prospectus, there have been no defaults or rescheduling of borrowings with the financial institutions / banks.

LOCK-OUT OR STRIKES

There have been no lock-outs or strikes in our Company since inception.

MAJOR EVENTS

YEAR	KEY EVENTS
2006	▪ Incorporated as a Private Limited Company
2007	▪ Commencement of commercial production of APIs – Second Generation anti malarial Quinine
2008	▪ Increase of manufacturing capacity from 2,00,000 kgs. per annum to 3,60,000 kgs. per annum
2009	▪ Increase of manufacturing capacity from 3,60,000 kgs. per annum to 4,50,000 kgs. per annum ▪ Received ISO 14001:2004 and 9001:2008 from BSI Management Systems to manufacture, market and sale of drug intermediates and APIs ▪ Received GMP Certificate from joint commissioner for our facility at MIDC, Mahad, Maharashtra ▪ Received excellence award from Institute of Economic Studies ▪ Became a subsidiary of Aasda Life Care Limited
2010	▪ Received ISO 22000:2005 certification for manufacturing and despatch of Quinine Salts for its use as food additive ▪ Conversion from Private to Public Limited ▪ Acquired certain assets of Prophyla Biologicals (P) Limited constituting the formulation unit at Pune. ▪ Commenced manufacturing of third generation, artimisinin based antimalarial APIs in our unit at Mahad, Maharashtra ▪ Launched brands such as Anjtil, Rankorex, Doktor Qure, Prosils, LivChek, Herbal Drops, Esyhil etc. ▪ Received GMP Certificate from joint commissioner for our facility at Pirangut,Pune, Maharashtra
2011	▪ Recognised as an export house by the Zonal Joint Director General of Foreign Trade

Other than as disclosed in *"Capital Structure"* and *"Financial Indebtedness"* on page 58 and 240 respectively of the Red Herring Prospectus, our Company has not issued any capital in the form of equity or debt.

For details on the description of our Company's activities, products, technology, capacity utilization and exports, please refer to chapters titled *"Business Overview", "Management's Discussion and Analysis of Financial Conditions and Results of Operations as reflected in the financial statements"* and *"Basis for Issue Price"* beginning on pages 121, 227 and 101 of the Red Herring Prospectus.

Awards and Recognitions

Our Company has been recognised as an export house by the Zonal Joint Director General of Foreign Trade since 2011 for a period of five years ended March 31, 2015.

MAIN OBJECT OF OUR COMPANY

The main object of our Company, as contained in our Memorandum of Association, is as set forth below:

To carry on the business of as manufacturer, mixer, producers, compounders, buyers, sellers, indenters, dealers in or as distributors, stockiest, importers, exporters, deal in all kinds of Medical preparation, pharmaceuticals, drugs and medicated preparation, patent medicines, herbs, healthcare products including homeopathic, ayurvedic, allopathic, unani and biochemical medicines in the form of liquid, syrup, dry syrup, capsules, injection, ointment, lotion, tablets, powder and other conceivable form including by products and waste products, preparation health care products, both in the local as well as overseas market.

CHANGES IN MEMORANDUM OF ASSOCIATION SINCE INCORPORATION

Date of shareholder's approval	Changes in the Memorandum of Association
June 19, 2010	**Change in Name Clause** Name of our Company was changed from Aanjaneya Biotech Limited to Aanjaneya Lifecare Limited.
April 20, 2010	**Change in Capital Clause** The Authorised Share Capital of our Company was increased from 2,00,00,000 Equity Shares aggregating to ₹ 2,000 lacs to 3,00,00,000 Equity Shares aggregating to ₹ 3,000 lacs.
April 12, 2010	**Change in Name Clause** Name of our Company was changed from Aanjaneya Biotech Private Limited to Aanjaneya Biotech Limited.
September 17, 2009	**Change in Capital Clause** The Authorised Share Capital of our Company was increased from 60,00,000 Equity Shares aggregating to ₹ 600 lacs to 2,00,00,000 Equity Shares aggregating to ₹ 2,000 lacs.
January 17, 2008	**Change in Capital Clause** The Authorised Share Capital of our Company was increased from 20,00,000 Equity Shares aggregating to ₹ 200 lacs to 60,00,000 Equity Shares aggregating to ₹ 600 lacs.
June 28, 2007	**Change in Capital Clause** The Authorised Share Capital of our Company was increased from 10,000 Equity Shares aggregating to ₹ 1 Lac to 20,00,000 Equity Shares aggregating to ₹ 200 lacs.
March 08, 2007	**Change in Name Clause** Name of our Company changed from Anjaneya Biotech Private Limited to Aanjaneya Biotech Private Limited.

SUBSIDIARIES

Our Company does not have any subsidiaries as on date of filing of the Red Herring Prospectus.

HOLDING COMPANY

Our Company is a subsidiary of Aasda Life Care Limited (formerly known as Finaventure Capital Limited) by virtue of their holding of 73.25% of the Equity Share capital of our Company, which makes it our holding company. For further details about our holding company and Corporate Promoter, Aasda Life Care Limited, please refer to the chapter titled '*Our Promoters and Their Background*' beginning on page 176 of the Red Herring Prospectus.

SHAREHOLDERS AGREEMENTS

Our Company does not have any subsisting shareholder's agreement as on the date of filing of the Red Herring Prospectus.

OTHER AGREEMENTS

1. Deed of Assignment of Patents dated May 28, 2008 between our Company and Benzochem Life Sciences Private Limited.

A Deed of Assignment (the "said Deed") dated May 28, 2008, has been entered into by and between our Company ("Assignee") and Benzochem Life Sciences Private Limited ("Assignor"), whereby the Assignor has agreed to assign for a consideration all the right, title and interest, property and benefit and the beneficial ownership whatsoever in India or elsewhere, with respect to five Patents registered and applied for under the Patents Act, 1960 by the Assignor ("Assigned Patents"). The said Deed has been executed for a consideration of ₹ 50.00. The said consideration was paid by our Company to the Assignor in cash on May 28, 2008. There is no other amount in any manner payable to the Assignor under the said Deed. As on date, the Assignor has no relation with our Company/our Promoter/our Promoter Group.

2. Asset Purchase Agreement dated March 30, 2010 with Prophyla Biologicals (P) Limited ("Prophyla")

Our Company has entered into an Asset Purchase Agreement dated March 30, 2010 with Prophyla Biologicals (P) Limited whereby Prophyla has agreed to sell and our Company has agreed to purchase certain assets of Prophyla including factory premises situated at Gut No. 123, Pirangut taluka – Mulshi, district Pune – 411 004, Maharashtra, India, all moveable assets including plant and machinery at the said factory premises of Prophyla.

The following are the Key terms and covenants of the agreement:

a. Our Company and Prophyla shall enter into a Sale Deed for transferring the title of the land and building situated at Gut no. 123, Pirangut, taluka Mulshi, district Pune – 411004, Maharashtra;
b. Our Company has purchased the Plant & Machinery on as-is-where-is basis
c. The total consideration for purchase of the assets is ₹ 28,95,81,798.00 including a VAT amount of ₹ 1,53,62,011.00.
d. Prophyla has indemnified and keeps indemnified our Company against any and all losses, damages, claims, suits, actions, judgments, costs, prejudices, and/or expenses from all persons including Government of Maharashtra, Municipal Authorities or otherwise arising out of or in any way connected with the wilful act or omission of Prophyla out of any material breach of this Agreement or arising out of any breach or false statements or covenants or representations or warranties or any statement herein contained.

Note: Prophyla Biologicals (P) Limited by its Letter dated October 22, 2010 confirmed that the land situated at Gut No. 97 and Gut No. 122 forms part of the property sold under the Asset Purchase Agreement.

For further details please refer to paragraph titled '*Property*' in the chapter titled '*Business Overview*' beginning on page 121 of the Red Herring Prospectus.

3. Non Compete Agreement dated March 21, 2011 entered into between our Company and our Corporate Promoter Aasda Life Care Limited.

Our Company has entered into a Non Compete Agreement dated March 21, 2011, with Aasda Life Care Limited ("Non Competing Party") in consideration of Aasda Life Care being the Promoter of our Company.

The vital terms of the Non Compete Agreement are as follows:

- The Non Competing Party shall not whether directly or indirectly through its Affiliate(s), (except through our Company) either on its own behalf or on behalf of any person, firm or corporation competing or endeavouring to compete with our Company directly or indirectly in the manufacturing or sale of the such pharmaceutical products as mentioned therein for a term of three (3) years and within the territory of India.

- The Non Competing Party shall not in relation to any of its services or business; utilise any existing or future trademarks or name, brand or logo (whether registered or not) that is or may be owned by our Company in future without the prior consent of our Company in writing.

4. Non Compete Agreement dated April 01, 2010 entered into between our Company and Prophyla Biologicals (P) Limited.

Our Company has entered into a Non Compete Agreement dated April 01, 2010, with Prophyla Biologicals (P) Limited ("Non Competing Party") on account of acquisition of certain assets of Prophyla Biologicals (P) Limited.

The vital terms of the Non Compete Agreement are as follows:

- The Non Competing Party shall not whether directly or indirectly through its Affiliate(s), (except through our Company) either on its own behalf or on behalf of any person, firm or corporation competing or endeavouring to compete with our Company directly or indirectly in the manufacturing or sale of the such pharmaceutical products as mentioned therein for a term of 7 years and within the territory of India.
- The Non Competing Party shall not in relation to any of its services or business; utilise any existing or future trademarks or name, brand or logo (whether registered or not) that is or may be owned by our Company in future without the prior consent of our Company in writing.

5. Deed of Assignment of Trade marks dated April 01, 2010 entered into between our Company and Prophyla Biologicals (P) Limited.

A Deed of Assignment (the "said Deed") dated April 01, 2010, has been entered into by and between our Company ("Assignee") and Prophyla Biologicals (P) Ltd. ("Assignor"), whereby the Assignee has agreed to purchase and acquire for consideration of and accept the sale, transfer and the assignment of all the right, title and interest, property and benefit and the beneficial ownership whatsoever in India or elsewhere, with respect to various trademarks registered and applied for under the Trade Mark Act, 1999 by the Assignor ("Assigned trade Marks"). The Assignor agreed to transfer/assign 3 registered trade marks and all rights to 21 trade mark applications, in consideration of (a) the acquisition of assets of the Assignor by the Assignee pursuant to the Asset Purchase Agreement dated March 30, 2010 and (b) for a sum of ₹ 500. The said consideration of ₹ 500 was paid by our Company to the Assignor. There is no other amount in any manner payable to the Assignor under the said Deed. Further the Assignor has also agreed to transfer the goodwill of the business in relation to the services for which the Assigned Trade Marks are registered and/or used in India or elsewhere. The Assigned Trade Marks are free from all demands, claims, charges, encumbrances, liens and the like, and all the rights, benefits and property, goodwill attached, accruing or raising to the Assigned Trade Marks are assigned to the Assignee for ever. Further, the Assignee has been given sole, absolute and exclusive right, title, interest and property in and to the Trade Marks. In the event of any disputes the Courts of Mumbai have been given sole and exclusive jurisdiction to entertain, try and dispose of any dispute or difference at any time arising between the Assignor and Assignee under the said Deed.

As on date, the Assignor has no relation with our Company/our Promoter/our Promoter Group save and except that Mr. Shashikant Shinde is a common director between the Assignor and Assignee.

6. Deed of Assignment of Patents dated June 9, 2010.

A Deed of Assignment (the "said Deed") dated June 9, 2010, has been entered into by and between our Company ("Assignee") and (1) Mr. Kashi Vishwanathan and (2) Dr. Kannan K. Vishwanath ("Assignor/s"), whereby the Assignor/s in consideration of their relationship and association with the Assignee (of being the Chairman and Promoter - Managing Director, respectively) have agreed to assign for a consideration all the right benefit and the beneficial ownership whatsoever, with respect to three pending patent applications filed in Switzerland and Austria. There is no consideration in monetary terms paid or payable to the Assignor/s under this Deed.

For further details on the Promoter Group of Dr. Kannan K. Vishwanath please refer to the chapter titled '*Our Promoter Group*' beginning on page 189 of the Red Herring Prospectus. Mr. Kashi Vishwanathan is related to our Promoter and

Promoter Group in his capacity as the father of Dr. Kannan K. Vishwanath, Chairman of the board of the Company and Chairman on the board of our Corporate Promoter.

STRATEGIC PARTNERS

Our Company does not have any strategic partners as on the date of filing the Red Herring Prospectus.

FINANCIAL PARTNERS

Our Company does not have any financial partners as on the date of filing the Red Herring Prospectus.

JOINT VENTURES

Our Company has not entered into any joint venture arrangement as on the date of filing the Red Herring Prospectus.

OUR MANAGEMENT

OUR DIRECTORS

Our Board consists of eight directors of which four are executive directors and four are independent directors. Our Chairman is an executive and a non independent director. As per our Articles of Association, our Board shall consist of not less than three Directors and not more than twelve Directors. The following table sets forth the details regarding our Board of Directors as on the date of the Red Herring Prospectus.

We confirm that the composition of our Board of Directors complies with clause 49 of the Listing Agreement.

Sr. No.	Name, designation, Father's name, address, age, occupation, DIN and nationality	Date of appointment in our Company and of expiration of term of office	Other directorships/Interests
1	**Mr. Kashi Vishwanathan** Chairman (Executive and Non Independent) S/o. Late Mr. Dorai Vishwanathan 8/B Vishwam, Postal Colony, Chembur, Mumbai 400 071, Maharashtra, India **Age:** 65 years **Occupation:** Business **DIN:** 02057551 **Nationality:** Indian	Date of Appointment – Appointed as Additional Director on May 01, 2008 Appointed as Chairman w.e.f. July 11, 2008 for a period of 5 years.	**Public Limited Company:** ▪ Aasda Life Care Limited
2	**Dr. Kannan K. Vishwanath** Vice Chairman and Managing Director (Executive and Non Independent) S/o. Mr. Kashi Vishwanathan 8/B Vishwam, Postal Colony, Chembur, Mumbai 400071, Maharashtra India **Age:** 34 years **Occupation:** Business **DIN:** 00290535 **Nationality:** Indian	Date of Appointment – Since Incorporation Re-appointed as Vice Chairman and Managing Director w.e.f. May 04, 2010 for a period of 5 years.	**Public Limited Company:** ▪ Aasda Life Care Limited
3	**Mr. Prabhat K. Goyal** Whole Time Director	Date of Appointment – Appointed as Additional	NIL

Sr. No.	Name, designation, Father's name, address, age, occupation, DIN and nationality	Date of appointment in our Company and of expiration of term of office	Other directorships/Interests
	(Executive and Non Independent) S/o. Mr. Kripa S. Goyal KL-6 A 1, Flat No. 9, Pachvati Residents Association, Sector 7, Kalamboli, Navi Mumbai – 410218, Maharashtra India **Age:** 55 years **Occupation:** Professional **DIN:** 03021662 **Nationality:** Indian	Director on March 31, 2010 Re-appointed as Whole Time Director w.e.f. March 31, 2010 for a period of 5 years subject to and liable to retire by rotation.	
4	**Mr. Shashikant B. Shinde** Whole Time Director (Executive and Non Independent) S/o. Mr. Babanrao Shinde A 503, Vimal Co-operative Housing Society Limited, Off. Veera Deasai Road, Near Rukmini Vaihav, Andheri (Weast) Mumbai – 400 058, Maharashtra, India **Age:** 58 years **Occupation:** Professional **DIN:** 02568658 **Nationality:** Indian	Date of Appointment – Appointed as Additional Director on May 15, 2010 Re-appointed as Whole Time Director w.e.f. August 11, 2010 for a period of five years and is liable to retire by rotation	**Private Limited Company:** ▪ Prophyla Biologicals (P) Limited
5	**Dr. Ullooppee S. Badade** Director (Non Executive and Independent) D/o. Mr. Chandulal C. Shah K-11 Shree Nagari, Siddhi Vinayak Colony, Behind Appu Nagar,	Date of Appointment – Appointed as Additional Director on February 15, 2010 Re-appointed as Director w.e.f. May 04, 2010. Liable to retire by rotation.	**Public Limited Company:** ▪ Aasda Life Care Limited*

Sr. No.	Name, designation, Father's name, address, age, occupation, DIN and nationality	Date of appointment in our Company and of expiration of term of office	Other directorships/Interests
	Pune – 411044, Maharashtra, India **Age:** 40 years **Occupation:** Professional **DIN:** 02933124 **Nationality:** Indian		
6	**Mr. Giridhar G. Pulleti** Director (Non Executive and Independent) S/o. Mr. Nageshwara Rao Pulleti 7-1-307/17/A3/1 Subhash Nagar, Sanath Nagar, Hyderabad – 500038, Andhra Pradesh, India **Age:** 42 years **Occupation:** Professional **DIN:** 01594062 **Nationality:** Indian	Date of Appointment – Appointed as Additional Director on March 20, 2010 Re-appointed as Director w.e.f. May 04, 2010. Liable to retire by rotation.	**Private Limited Companies:** ▪ Sanova Pharma Chem Private Limited ▪ Nutra Specialities Private Limited **Public Limited Company:** ▪ Aasda Life Care Limited*
7	**Mr. Balkrishna R. Parab** Director (Non Executive and Independent) S/o. Mr. Ramchandra Parab Building No. 6, Room No. 68, Sahakar Nagar-1, Shell Colony, Chembur, Mumbai – 400071, Maharashtra, India **Age:** 39 years **Occupation:** Professional **DIN:** 03021718	Date of appointment - Additional Director on March 31, 2010 Re-appointed as Director w.e.f. May 04, 2010. Liable to retire by rotation.	**Public Limited Company:** ▪ Aasda Life Care Limited*

Sr. No.	Name, designation, Father's name, address, age, occupation, DIN and nationality	Date of appointment in our Company and of expiration of term of office	Other directorships/Interests
	Nationality: Indian		
8	**Mr. Kalidas S. Patel** Director (Non Executive and Independent) S/o. Mr. Somchand Patel A6/16, Flat no. 32, Jolly Jeevan, Jeevan Beema Nagar, Borivili (W), Mumbai – 400103, Maharashtra, India **Age:** 57 years **Occupation:** Chartered Accountant **DIN:** 03191393 **Nationality:** Indian	Date of appointment - Additional Director on August 11, 2010 Term of appointment: till the next AGM	NIL

** In his capacity as an Independent Director on the Board of Directors.*

Note: *None of the above mentioned Directors are on the RBI List of wilful defaulters as on date of the Red Herring Prospectus.*

BRIEF BIOGRAPHIES OF OUR DIRECTORS

Mr. Kashi Vishwanathan, Chairman

Mr. Kashi Vishwanathan, aged 65 years, is the Executive Chairman of our Company. Mr. Vishwanathan has been with our Company in the capacity of a Director since 2008. He holds a Bachelor's degree in Science from the University of Mumbai and has an experience of 45 years in pharmaceutical industry. Mr. Dorai Vishwanathan, father of Mr. Kashi Vishwanathan started proprietary concern called Vishwam & Co. in the year 1964 to trade in pharmaceutical products. Mr. Kashi Vishwanathan has since then been associated with Vishwam & Co. and was involved in the trading activities of the concern. In the year 1978, he ventured into manufacturing of pharmaceutical bulk drugs by establishing a partnership firm called Benzo Chemical Industries having production facility at Plot no E/ 81 MIDC Tarapur Boisar 401506 Thane Dist. Mr. Kashi Vishwanathan was an active partner of Benzo Chemical Industries and was responsible/looking after the manufacturing activities. In 2006, the partnership firm was converted to private limited company called Benzochem Lifesciences Pvt. Ltd. and Mr. Kashi Vishwanathan acted as a director responsible for manufacturing activities. Since, May 1, 2008, Mr. Kashi Vishwanathan has been a director on the board of the Company (initially promoted by his wife and son) and has been looking after the manufacturing activities of the Company. In the meantime, in the year 2008, Mr. Kashi Vishwanathan disassociated himself from Benzochem Lifesciences Pvt. Ltd. He is the guiding force behind the strategic decisions and has been the back bone of our Company's operations. He was awarded Udyog Rattan Award by the Institute of Economic Studies for his contribution towards industrial development and the World Economic Development Award for Business Excellence at the International Achievers Summit on Emerging India in the year 2009.

Dr. Kannan K. Vishwanath, Vice Chairman and Managing Director

Dr. Kannan K. Vishwanath, aged 34 years, is the Promoter and the Vice Chairman and Managing Director of our Company. Dr. Vishwanath is responsible for guiding our Company's management and global operation to its next phase of growth. He holds a bachelor's degree in chemical engineering from University of Pune and Masters degree in Business Administration (MBA) from the Hamilton College, USA. He has been conferred honorary doctorate from the International University, Vienna. He is also a member of the Indo American Chamber of Commerce. He has an experience of 10 years in the pharmaceutical industry. As the Vice Chairman and Managing Director, Dr. Vishwanath, has been the backbone of our Company's operations and is involved in formulating strategies and policies of our Company. Under his vision our Company has ventured into new geographies with a wide range of products in various therapeutic segments.

Mr. Prabhat K. Goyal, Whole Time Director

Mr. Prabhat K. Goyal, aged 55 years is the Whole Time Director of our Company. Mr. Goyal is a Post Graduate in Organic Chemistry from Vikram University, Ujjain. Prior to joining our Company he has worked with Elder Pharmaceuticals Limited, IPCA Laboratories Limited, Ranbaxy Laboratories Limited and Jayant Vitamins Limited. He has an experience of 33 years in the field of pharmaceutical basic drug industry. Prior to being appointed as a Director of our Company, he managed the technical operations of our Company in his capacity as an employee of our unit in Mahad. He was responsible for setting up the quinine sulphate and derivative plant and sourcing of raw materials for our Company. Presently, he is responsible for overseeing the operations of our unit in Mahad.

Mr. Shashikant B. Shinde, Whole Time Director

Mr. Shashikant B. Shinde, aged 58 years, is the Whole Time Director of our Company. Mr. Shinde holds a Masters Degree in Management from Marathwada University, Aurangabad and is a gold medalist in Bachelors in Science from Marathwada University, Aurangabad. He has over 32 years of experience in the pharmaceutical industry. He is also the Secretory of All India Small Drug Manufacturers Association. In the past, Mr. Shinde has worked with companies like Aristo Pharmaceuticals Private Limited, Geno Pharmaceuticals Limited, Rathi Brothers Limited and Lyka Labs Private Limited. He is approved by Maharashtra Food and Drug Administration as a Technical Expert Staff in Liquid and Capsule Department. Presently, he is responsible for overseeing the operations of our unit in Mulshi, Pune.

Dr. Ullooppee S. Badade, Director

Dr. Ullooppee S. Badade, aged 42 years is an Independent Director of our Company. Ms. Badade has completed her M.B.B.S. from Amravati University and also holds a Masters Degree in Business Administration inHealth Care Services from Sikkim Manipal University of Health, Medical & Technological Sciences . She has an experience of 16 years in the field of hospital administration and was previously associated with Manipal Cure & Care Private Limited, Lokmanya Hospital, Supertech Neurosurgical Centre and Nirmay Hospital. She is presently associated with Manipal Cure & Care Private Limited as a Center Head (Operations and Administration) and is also an in house physician. She was first inducted on the Board of our Company on February 15, 2010.

Mr. Giridhar G. Pulleti, Director

Mr. Giridhar G. Pulleti, aged 42 years is an Independent Director of our Company. Mr. Pulleti holds a Masters degree in Science with specialisation in Organic Chemistry and has an experience of 20 years in the field of pharmaceutical industry. He is currently on the Board of Directors of Sanova Pharma Chem Private Limited, a pharma company located in Hyderabad and as a Technical Director of Nutra Specialities Private Limited. He was inducted on the Board of our Company on March 20, 2010.

Mr. Balkrishna R. Parab, Director

Mr. Balkrishna R. Parab, aged 39 years is an Independent Director of our Company. Mr. Parab holds a Bachelor's degree in Commerce from the University of Mumbai and has an experience of 10 years in the field of creative arts. He is presently a creative content designer and owns a private studio. His work contract includes printing stationary for schools and colleges. He has also provided stationary and promotional material to Mumbai Municipal Corporation. His experience in website designing, online promotion, developing designs etc. adds value to our Company, as our Company is in process of registering its formulation products within India & overseas and such formulation products require attractive packaging, good brand name & logo designs & high online promotion. Mr. Parab with his expertise also adds value by guiding our Company for designing logos for our products. He was inducted on the Board of Directors of our Company on March 31, 2010.

Mr. Kalidas S. Patel, Director

Mr. Kalidas S. Patel, aged 57 years is an Independent Director of our Company. Mr. Patel holds a Bachelor's degree in Commerce from the University of Mumbai and also is a qualified graduate Cost and Works Accounts. He is a fellow member of the Institute of Chartered Accountant of India and has an experience of 29 years in the field of audit, accountancy and finance. He is a practising chartered accountant and is a partner of M/s. Patel & Kurup. He was inducted on the Board of Directors of our Company on August 11, 2010.

DIRECTORSHIPS IN SUSPENDED / DELISTED COMPANIES

None of our Directors are/were directors in listed companies whose shares have been/were suspended from being traded on the Bombay Stock Exchange or the National Stock Exchange in the preceding five years.

Further, Aasda Life Care Limited was voluntarily delisted from UPSE w.e.f. March 30, 2011 and Dr. Kannan K. Vishwanath, Mr. Kashi Vishwanathan, Dr. Ullooppee S. Badade, Mr. Giridhar Gopal Pulleti and Mr. Balkrishna Parab are on the board of directors of Aasda Life Care Limited. Execpt for being directors of Aasda Life Care Limited, none of our Directors are/were directors in listed companies which have been/were delisted from the stock exchanges in India.

RELATIONSHIP BETWEEN THE DIRECTORS

None of our Directors or Key Managerial Personnel are "relatives" within the meaning of Section 6 of the Companies Act, 1956 except as stated below:

Name of the Director	Relationship
Mr. Kashi Vishwanathan	Father of Dr. Kannan K. Vishwanath
Dr. Kannan K. Vishwanath	Son of Mr. Kashi Vishwanathan

None of our Directors are appointed pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

BORROWING POWERS OF BOARD OF DIRECTORS

The borrowing powers of our Directors are regulated by Articles 95 to 99 of the Articles of Association of our Company.

Pursuant to a special resolution passed at the Annual General Meeting of our shareholders held on May 04, 2010 our Directors were authorised to borrow money(s) on behalf of our Company in excess of the paid up share capital and the free reserves of our Company from time to time, pursuant to the provisions of Section 293(1)(d) of the Companies Act, subject to an amount not exceeding ₹ 50,000 lacs.

For further details of the provisions of our Articles of Association regarding borrowing powers, refer to the section titled "*Description of Equity Shares and the Terms of the Articles of Association*" beginning on page 324 of the Red Herring Prospectus.

COMPENSATION AND BENEFITS TO THE MANAGING DIRECTOR / WHOLE TIME DIRECTORS

Our Directors have entered into the following service agreements with our Company, (which do not provide for benefits upon termination of employment):

(₹ in lacs)

Name of the Director	Designation	Compensation paid for the FY 2010 – 11
Mr. Kashi Vishwanathan	Chairman	36.00
Dr. Kannan K. Vishwanath	Vice Chairman and Managing Director	36.00
Mr. Prabhat K. Goyal	Whole Time Director	19.58
Mr. Shashikant B. Shinde	Whole Time Director	15.03

1. Terms of appointment and compensation of Mr. Kashi Vishwanathan, Chairman is as follows:

Mr. Kashi Vishwanathan joined the Board of Directors of our Company on May 01, 2008 as an additional director and was subsequently appointed as an Executive Director *vide* shareholders resolution dated July 11, 2008 for a term of 5 years with effect from July 11, 2008 till July 10, 2013 and may be terminated by either party by giving notice. By an Agreement dated May 18, 2010 entered into by and between our Company and Mr. Kashi Vishwanathan, remuneration payable to him was revised and his terms of appointed were recorded.

The terms of appointment of Mr. Kashi Vishwanathan are as follows:

CATEGORY	PARTICULARS
Basic Salary	Upto maximum ₹ 3,50,000/- (Rupees Three Lacs Fifty Thousand Only) per month or ₹ 42,00,000/- (Rupees Forty Two Lacs Only) per annum based on merit and taking into account of our Company's Performance.
Perquisites and Allowances	**Category A** **Medical Reimbursement:** Medical expenses actually incurred for self and family shall be reimbursed by our Company under the medi claim Policy. **Leave Travel Concession:** Company shall provide leave travel fare for the Chairman and his family once a year, anywhere in India as per the Rules applicable to our Company and per Income Tax Rules. **Category B** Our Company shall contribute towards Provident Funds/ Superannuation Fund/Annuity Fund, as agreed upon, provided that such contributions either singly or put together shall not exceed the tax free limit prescribed under the IT Act. Our Company shall pay Gratuity, as agreed upon, at the rate not exceeding half month's salary for each completed year of service. Leave on full pay and allowances, as per rules of our Company, but not more than one month's leave for every eleven months of service. However, the leave accumulated but not availed of will be allowed to be encashed at the end of the term as per Company rules. The perquisites under this category shall not be included in the computation of ceiling on remuneration.
	Category C Our Company shall provide a car with a driver at the cost of our Company for business use of our Company. The Chairman shall be entitled to reimbursement of all expenses incurred in connection with the

	business of our Company. Reimbursement of entertainment expenses actually and properly incurred in the course of business of our Company shall be reimbursed. Any and all expenditure actually and properly incurred on Company's business shall be reimbursed to the Chairman.
Sitting Fees	The Chairman shall not be entitled to sitting fees for attending meetings of the Board of Directors or Committees thereof. He shall, however be reimbursed the actual travelling, lodging and boarding expenses incurred by him for attending meeting of the Board of Directors and the Committees thereof.
Minimum Remuneration	The remuneration referred to above is subject to the limit of 5% of the annual net profits of our Company and subject further to the overall limit of 10% of the annual net profits of our Company on the remuneration of the Chairman and Managing Director and other Whole Time Directors of our Company taken together. Provided however that in the event of absence or inadequacy of profit, the Chairman shall be entitled to remuneration mentioned under above and perquisites as above within the minimum remuneration specified in Schedule XIII of the Companies Act, 1956. However Chairman shall not be paid any sitting fees for attending the Board or Committee meetings.

2. Terms of appointment and compensation of Dr. Kannan K. Vishwanath, Vice Chairman and Managing Director is as follows:

Dr. Kannan K. Vishwanath, was one of the subscribers to the Memorandum of Association of our Company and has been appointed on the Board of Directors of our Company as per the Articles of Association. He was appointed as an Executive Director on June 01, 2008. He was then appointed as the Vice Chairman and Managing Director *vide* shareholders resolution dated May 04, 2010 and pursuant to an Agreement dated May 18, 2010 entered into by and between our Company and Dr. Kannan K. Vishwanath, for a term of 5 years with effect from May 04, 2010 till May 03, 2015 and may be terminated by either party by giving notice.

The terms of appointment of Dr. Kannan K. Vishwanath are as follows:

CATEGORY	PARTICULARS
Basic Salary	Upto maximum ₹ 3,50,000/- (Rupees Three Lacs Fifty Thousand Only) per month or ₹ 42,00,000/- (Rupees Forty Two Lacs Only) per annum based on merit and taking into account our Company's Performance.
Perquisites and Allowances	**Category A** **Medical Reimbursement:** Medical expenses actually incurred for self and family shall be reimbursed by our Company under the medi claim Policy. **Leave Travel Concession:** Company shall provide leave travel fare for the Vice-chairman and Managing Director and his family once a year, anywhere in India as per the Rules applicable to our Company and per Income Tax Rules. **Category B** Our Company shall contribute towards Provident Funds/ Superannuation Fund/Annuity Fund, as agreed upon, provided that such contributions either singly or put together shall not exceed the tax free limit prescribed under the IT Act.

CATEGORY	PARTICULARS
	Our Company shall pay Gratuity, as agreed upon, at the rate not exceeding half month's salary for each completed year of service. Leave on full pay and allowances, as per rules of our Company, but not more than one month's leave for every eleven months of service. However, the leave accumulated but not availed of will be allowed to be encashed at the end of the term as per Company rules. The perquisites under this category shall not be included in the computation of ceiling on remuneration.
	Category C Our Company shall provide a car with a driver at the cost of our Company for business use of our Company. The Vice Chairman and Managing Director shall be entitled to reimbursement of all expenses incurred in connection with the business of our Company. Reimbursement of entertainment expenses actually and properly incurred in the course of business of our Company shall be reimbursed. Any and all expenditure actually and properly incurred on Company's business shall be reimbursed to the Vice Chairman and Managing Director.
Sitting Fees	The Vice Chairman and Managing Director shall not be entitled to sitting fees for attending meetings of the Board of Directors or Committees thereof. He shall, however be reimbursed the actual travelling, lodging and boarding expenses incurred by him for attending meeting of the Board of Directors and the Committees thereof.
Minimum Remuneration	The remuneration referred to above is subject to the limit of 5% of the annual net profits of our Company and subject further to the overall limit of 10% of the annual net profits of our Company on the remuneration of the Chairman and Managing Director and other Whole Time Directors of our Company taken together. Provided however that in the event of absence or inadequacy of profit, the Vice Chairman and Managing Director shall be entitled to remuneration mentioned under above and perquisites as above within the minimum remuneration specified in Schedule XIII of the Companies Act, 1956. However Vice Chairman and Managing Director shall not be paid any sitting fees for attending the Board or committee meetings.

3. Terms of appointment and compensation of Mr. Prabhat K. Goyal, Whole Time Director is as follows:

Mr. Prabhat K. Goyal, joined the Board of our Company on March 31, 2010 as an Additional Director and was subsequently appointed as the Director of our Company in the general meeting of the shareholders held on May 04, 2010 and pursuant to an Agreement dated May 18, 2010 entered into by and between our Company and Mr. Prabhat K. Goyal, for a term of 5 years with effect from May 04, 2010 till March 30, 2015 and may be terminated by either party by giving notice Mr. Prabhat K. Goyal is liable to retire by rotation.

The terms of appointment of Mr. Prabhat K. Goyal are as follows:

CATEGORY	PARTICULARS
Basic Salary	Upto maximum ₹ 150,000/- (Rupees One Lac Fifty Thousand Only) Per month or ₹ 18,00,000/- (Rupees Eighteen Lacs Only) per annum based on merit and taking into account of our Company's Performance.
Perquisites and Allowances	**Category A**

CATEGORY	PARTICULARS
	Medical Reimbursement: Medical expenses actually incurred for self and family shall be reimbursed by our Company under the medi claim Policy. **Leave Travel Concession:** Company shall provide leave travel fare for the Whole-time Director and his family once a year, anywhere in India as per the Rules applicable to our Company and per Income Tax Rules. **Category B** Our Company shall contribute towards Provident Funds/ Superannuation Fund/Annuity Fund, as agreed upon, provided that such contributions either singly or put together shall not exceed the tax free limit prescribed under the IT Act. Our Company shall pay Gratuity, as agreed upon, at the rate not exceeding half month's salary for each completed year of service. Leave on full pay and allowances, as per rules of our Company, but not more than one month's leave for every eleven months of service. However, the leave accumulated but not availed of will be allowed to be encashed at the end of the term as per Company rules. The perquisites under this category shall not be included in the computation of ceiling on remuneration.
	Category C Our Company shall provide a car at the cost of our Company for business use of ourCompany. The Whole-time Director shall be entitled to reimbursement of all expenses incurred in connection with the business of our Company. Reimbursement of entertainment expenses actually and properly incurred in the course of business of our Company shall be reimbursed. Any and all expenditure actually and properly incurred on Company's business shall be reimbursed to the Whole Time Director.
Sitting Fees	The Whole-time Director shall not be entitled to sitting fees for attending meetings of the Board of Directors or Committees thereof. He shall, however be reimbursed the actual travelling, lodging and boarding expenses incurred by him for attending meeting of the Board of Directors and the Committees thereof.
Minimum Remuneration	The remuneration referred to above is subject to the limit of 5% of the annual net profits of our Company and subject further to the overall limit of 10% of the annual net profits of our Company on the remuneration of the Chairman and Managing Director and other Whole Time Directors of our Company taken together. Provided however that in the event of absence or inadequacy of profit, the Whole-time Director shall be entitled to remuneration mentioned under above and perquisites as above within the minimum remuneration specified in Schedule XIII of the Companies Act, 1956. However Whole Time Director shall not be paid any sitting fees for attending the Board or Committee meetings.

4. Terms of appointment and compensation of Mr. Shashikant B. Shinde, Whole Time Director is as follows:

Mr. Shashikant B. Shinde, joined the Board of our Company on May 15, 2010, 2010 as an Additional Director and was subsequently appointed as the Whole Time Director of our Company in the general meeting of the shareholders held on August 11, 2010 and pursuant to an agreement dated August 13, 2010 entered into by and between our Company and Mr.

Shashikant B. Shinde, for a term of 5 years with effect from August 11, 2010 till August 10, 2015 and may be terminated by either party by giving notice Mr. Shashikant B. Shinde is liable to retire by rotation.

The terms of appointment of Mr. Shashikant B. Shinde are as follows:

CATEGORY	PARTICULARS
Basic Salary	Upto maximum ₹ 150,000/- (Rupees One Lac Fifty Thousand Only) Per month or ₹ 18,00,000/- (Rupees Eighteen Lacs Only) per annum based on merit and taking into account of our Company's Performance.
Perquisites and Allowances	**Category A** **Medical Reimbursement:** Medical expenses actually incurred for self and family shall be reimbursed by our Company under the medi claim Policy. **Leave Travel Concession:** Company shall provide leave travel fare for the Whole-time Director and his family once a year, anywhere in India as per the Rules applicable to our Company and per Income Tax Rules. **Category B** Our Company shall contribute towards Provident Funds/ Superannuation Fund/Annuity Fund, as agreed upon, provided that such contributions either singly or put together shall not exceed the tax free limit prescribed under the IT Act. Our Company shall pay Gratuity, as agreed upon, at the rate not exceeding half month's salary for each completed year of service. Leave on full pay and allowances, as per rules of our Company, but not more than one month's leave for every eleven months of service. However, the leave accumulated but not availed of will be allowed to be encashed at the end of the term as per Company rules. The perquisites under this category shall not be included in the computation of ceiling on remuneration.
	Category C Our Company shall provide a car at the cost of our Company for business use of our Company. The Whole-time Director shall be entitled to reimbursement of all expenses incurred in connection with the business of our Company. Reimbursement of entertainment expenses actually and properly incurred in the course of business of our Company shall be reimbursed. Any and all expenditure actually and properly incurred on Company's business shall be reimbursed to the Whole Time Director.
Sitting Fees	The Whole-time Director shall not be entitled to sitting fees for attending meetings of the Board of Directors or committees thereof. He shall, however be reimbursed the actual travelling, lodging and boarding expenses incurred by him for attending meeting of the Board of Directors and the committees thereof.
Minimum Remuneration	The remuneration referred to above is subject to the limit of 5% of the annual net profits of our Company and subject further to the overall limit of 10% of the annual net profits of our Company on the remuneration of the Chairman and Managing Director and other Whole Time Directors of our Company taken together. Provided however that in the event of absence or inadequacy of profit, the Whole-time Director shall be entitled to remuneration mentioned under above and

CATEGORY	PARTICULARS
	perquisites as above within the minimum remuneration specified in Schedule XIII of the Companies Act, 1956. However Whole Time Director shall not be paid any sitting fees for attending the Board or Committee meetings.

SITTING FEES PAYABLE TO NON EXECUTIVE DIRECTORS

Sitting fees of ₹ 3,000 per meeting is payable to our Non Executive and Independent Directors for attending Board and Committee Meetings, as approved *vide* Board resolution dated June 01, 2010.

SHAREHOLDING OF OUR DIRECTORS

As per our Articles of Association, our Directors are not required to hold any Equity Shares in our Company to qualify them for the office of a Director of our Company. Save and except as below, our Directors do not hold any Equity Shares in our Company as on the date of the Red Herring Prospectus.

Name of the Directors	Number of Equity Shares	% of pre issue Equity Share capital
Dr. Kannan K. Vishwanath	20,26,667	26.75%
Mr. Kashi Vishwanathan	10	Negligible
Mr. Shashikant B. Shinde	10	Negligible
Mr. Prabhat K. Goyal	10	Negligible
Dr. Ullooppee S. Badade	NIL	NIL
Mr. Giridhar G. Pulleti	NIL	NIL
Mr. Balkrishna R. Parab	NIL	NIL
Mr. Kalidas S. Patel	NIL	NIL
Total	**20,26,697**	**26.75%**

INTEREST OF DIRECTORS

All of our Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board, commission payable to our Non Executive Directors as well as to the extent of remuneration payable to our Executive Directors for their services as executive directors of our Company and reimbursement of expenses payable to them under our Articles of Association. All our Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives or firms, trusts or other entities/bodies corporate in which they have interest, and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares. Our non-Promoter Directors may also be deemed to be interested in the Equity Shares, if any, out of the present Issue that may be subscribed by and Allotted/transferred to the companies, firms and trusts and other entities/bodies corporate in which they are interested as Directors, members, partners and/or trustees or otherwise as also any benefits, monetary or otherwise derived there from. Further, our Independent Directors do not have any other pecuniary interest/relationship with our Company except to the extent of receiving sitting fees.

Dr. Kannan K. Vishwanath, our Promoter Director is also the Promoter and Managing Director of Aasda Life Care Limited, which is the corporate Promoter of our Company. He is interested to the extent of him being a member of Aasda Life Care Limited. No sums have been paid or agreed to be paid to him, or to Aasda Life Care Limited in cash or Equity Shares or otherwise by any person either to induce him to become, or to qualify him as a director, or otherwise for services rendered by him or Aasda Life Care Limited, in connection with the promotion or formation of our Company. Further, our Vice Chairman and Managing Director, Dr. Kannan K. Vishwanath, is deemed to be interested to the extent of the compensation/rent receivable from our Company for use of the premises in which our Registered Office is situated.

Our Directors are not interested in the appointment of or acting as Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

Further, save and except as stated otherwise on page 140 under the paragraph titled '*Properties*' under the chapter titled *"Business Overview"* beginning on page 121 of the Red Herring Prospectus, page 164 under the paragraph titled "*Shareholding of our Directors*" under the chapter titled *"Our Management"*, page 153 under the *"Annexure 17"* titled "*Details of Related Party transactions*" beginning on page 221 in the section titled "*Financial Statements"* of the Red Herring Prospectus, and on page 187 under the heading titled *"Interest of Promoters"* in the chapter titled *"Our Promoters and their Background"* beginning on page 176 of the Red Herring Prospectus, our Directors do not have any other interests in our Company as on the date of the Red Herring Prospectus.

INTEREST AS TO PROPERTY

Our Vice Chairman and Managing Director, Dr. Kannan K. Vishwanath, is deemed to be interested to the extent of the compensation/rent receivable from our Company for use of the premises in which our Registered Office is situated. Except as stated/referred to in the chapter titled "*Business Overview*" under the paragraph "*Properties*" and chapter titled "*Our Promoters and their Background*" under the head "*Interest of Promoters*" beginning on pages 121 and 176 respectively of the Red Herring Prospectus, our Directors do not have any interest:

i. in the promotion of our Company; or
ii. in any property acquired by our Company within two years from the date of the Red Herring Prospectus, or proposed to be acquired by our Company.

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

The following are the changes in our Board of Directors during the last three years:

Name of the Director	Date of Appointment	Date of Resignation	Remarks
Mr. Deepak B. Shenoy	December 08, 2006	August 10, 2009	Resignation
Mr. Kashi Vishwanathan	May 01, 2008	-	Appointed as an additional Director
Ms. Divya K. Vishwanath	May 01, 2008	December 07, 2009	Resignation
Mr. Shashikant B. Shinde	October 01, 2009	March 23, 2010	Resignation
Mr. Mani S. Iyer	December 24, 2009	February 15, 2010	Resignation
Dr. Ullooppee S. Badade	February 15, 2010	-	Appointed as an additional Director
Mr. Giridhar G. Pulleti	March 20, 2010	-	Appointed as an additional Director
Mr. Arturo A. Kibble	March 20, 2010	March 31, 2010	Resignation
Mr. Dharmpal C. Badade	March 31, 2010	April 20, 2010	Resigned as an additional Director
Mr. Balkrishna R. Parab	March 31, 2010	-	Appointed as an additional Director
Mr. Prabhat K. Goyal	March 31, 2010	-	Appointed as an additional Director
Mr. Shashikant B. Shinde	May 15, 2010	-	Appointed as a additional Director
Mr. Kalidas S. Patel	August 11, 2010	-	Appointed as an additional Director

CORPORATE GOVERNANCE

The provisions of the Listing agreements to be entered into with the Stock Exchanges with respect to corporate governance and the SEBI Rules and Regulations in respect of corporate governance are applicable to our Company at the time of seeking in-principle approval of the Stock Exchanges. Our Company has taken steps to comply with such provisions, as contained in the Listing Agreement, particularly those relating to composition of Board of Directors, constitution of committees such as audit committee, shareholder / investor grievance committee, etc. Further, our Company undertakes to take all necessary steps to comply with all the requirements of the regulations on corporate governance and adopt the corporate governance code as per Clause 49 of the Listing Agreement to be entered into with the Stock Exchanges.

VARIOUS COMMITTEES OF DIRECTORS

In terms of the Clause 49 of the Listing Agreement, our Company has already appointed Independent Directors and constituted the following Committees of the Board:

1. Audit Committee
2. Shareholders/ Investor Grievance Committee
3. Remuneration Committee
4. IPO Committee

1. AUDIT COMMITTEE

Our Board constituted an Audit Committee, pursuant to the provisions of Section 292A of the Companies Act. The Audit Committee was reconstituted *vide* the Board resolution dated August 11, 2010.

The terms of reference of Audit Committee comply with the requirements of Clause 49 of the Listing Agreement. Currently the Audit Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Kalidas S. Patel	Chairman	Non Executive and Independent Director
Dr. Ullooppee S. Badade	Member	Non Executive and Independent Director
Dr. Kannan K. Vishwanath	Member	Executive and Non Independent Director

Mr. Sumant A. Khedekar, our Company Secretary will act as the secretary to the Committee.

The Audit Committee enjoys following powers: -

1. To invite such of the executives, as it considers appropriate (and particularly the head of finance function) to be present at the meetings of the Committee,
2. To investigate any activity within its terms of reference;
3. To seek information from any employee;
4. To obtain outside legal or other professional advice; and
5. To secure attendance of outsiders with reasonable expertise, if considered necessary.

The terms of reference of the Audit Committee of our Company includes:

1. Overseeing our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. 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. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Appointment, removal and terms of remuneration of internal auditors
5. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
   - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act 1956;
   - Changes, if any, in accounting policies and practices and reasons for the same;
   - Major accounting entries involving estimates based on the exercise of judgment by management;
   - Significant adjustments made in the financial statements arising out of audit findings;
   - Compliance with listing and other legal requirements relating to the financial statements;
   - Disclosure of any related party transactions;
   - Qualifications in the draft audit report;
6. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
7. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
8. Monitoring the use of the proceeds of the proposed initial public offering of our Company.

9. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
10. 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;
11. Reviewing management letters / letters of internal control weaknesses issued by the statutory auditors;
12. Discussion with internal and statutory auditors on any significant findings and follow up there on;
13. 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;
14. Discussion 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;
15. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors;
16. To review the functioning of the Whistle Blower mechanism, when the same is adopted by our Company and is existing;
17. Carrying out any other function as may be statutorily required to be carried out by the Audit Committee;
18. The Audit Committee shall mandatory review the following information:
    - Management discussion and analysis of financial condition and results of operations;
    - Statement of significant related party transactions (as defined by the audit committee), submitted by management;
    - Management letters / letters of internal control weaknesses issued by the statutory auditors;
    - Internal audit reports relating to internal control weaknesses; and
    - The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
    - Financial statements, in particular, the investments made by the unlisted subsidiary company.

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 minuted in the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of our Company to provide clarifications on matters relating to the audit.

Date of Audit Committee meetings:

- October 27, 2010
- January 31, 2011

2. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

Our Company has constituted a Shareholders' / Investors' Grievance Committee *vide* resolution dated April 20, 2010, as per the requirements of the Clause 49 of the Listing Agreement for Corporate Governance, for redressing Shareholder / Investor complaints. Currently the Shareholders / Investors Grievance Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Dr. Ullooppee S. Badade	Chairman	Non Executive and Independent Director
Mr. Giridhar G. Pulleti	Member	Non Executive and Independent Director
Dr. Kannan K. Vishwanath	Member	Executive and Non Independent Director

Mr. Sumant A. Khedekar, our Company Secretary will act as the Secretary to the Committee.

The Shareholders / Investors Grievance Committee is responsible for the redressal of shareholders and investors' grievances and oversees performance of the registrars and transfer agents of our Company and recommends measures for overall improvement in the quality of investor services. This committee also monitors the implementation and compliance of our Code of Conduct for Prohibition of Insider Trading pursuant to the Securities and Exchange Board of India

(Prohibition of Insider Trading) Regulations, 1992, as amended. in compliance of the provisions of Clause 49 of the listing agreements with the Stock Exchanges and its terms of reference include the following:

The terms of reference include the following:

1. Efficient transfer of Equity Shares; including review of cases for refusal of transfer / transmission of shares and debentures;
2. Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
4. Allotment and listing of shares in future;
5. Review of cases for refusal of transfer / transmission of shares and debentures;
6. Reference to statutory and regulatory authorities regarding investor grievances;
7. Ensure proper and timely attendance and redressal of investor queries and grievances;
8. To do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers;
9. To review from time to time the secretarial department;
10. Investor relations and redressal of shareholders grievances in general and relating to non receipt of declared dividends, interest, non- receipt of balance sheet etc.;

Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

3. REMUNERATION COMMITTEE

For remuneration of Directors, our Company has constituted Remuneration Committee *vide* Board resolution dated April 20, 2010. The Committee has powers of recommending remuneration package to for Executive Directors and other Board members as per the requirements of the Clause 49 of the Listing Agreement for corporate governance. Currently the remuneration committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Balkrishna R. Parab	Chairman	Non Executive and Independent Director
Mr. Giridhar G. Pulleti	Member	Non Executive and Independent Director
Dr. Ullooppee S. Badade	Member	Non Executive and Independent Director

Mr. Sumant A. Khedekar, our Company Secretary will act as the secretary to the committee.

The terms of reference of the remuneration committee of our Company includes:

1. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India, including:

   - The Securities and Exchange Board of India (Insider Trading) Regulations, 1992; or
   - The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 1995.
2. To recommend to the Board, the remuneration packages of our Company's Managing/Joint Managing/ Deputy Managing/Whole time / Executive Directors, including all elements of remuneration package (i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.);
3. To be authorised at its duly constituted meeting to determine on behalf of the Board of Directors and on behalf of the shareholders with agreed terms of reference, our Company's policy on specific remuneration packages for Company's

Managing/Joint Managing/ Deputy Managing/ Whole Time/ Executive Directors, including pension rights and any compensation payment;
4. Perform such functions as are required to be performed by the Remuneration Committee under the ESOP Guidelines, in particular, those stated in Clause 5 of the ESOP Guidelines; and
5. To implement, supervise and administer any share or stock option scheme of our Company
6. To attend to any other responsibility as may be entrusted by the Board within the terms of reference.
7. Such other matters as may, from time to time, be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

4. IPO COMMITTEE

The IPO committee was constituted *vide* Board Resolution dated June 01, 2010 to oversee and inform the audit committee when money is raised through the prospectus or rights or preferential issues and shall inform of funds received, utilized, pending for project implementation *etc.* for the information of the Stock Exchanges and Investors and shall keep the information up dated through our Company's website.

The composition of the IPO committee is as follows:

Name of the Director	Designation in the Committee	Nature of Directorship
Dr. Kannan K. Vishwanath	Chairman	Executive and Non Independent Director
Mr. Kashi Vishwanathan	Member	Executive and Non Independent Director
Mr. Prabhat K. Goyal	Member	Executive and Non Independent Director

The terms of reference of the IPO committee are as follows:

1. to decide on the actual size of the IPO, including any offer for sale by promoters/shareholders, green shoe option, any pre-IPO placement, promoter's contribution and/or reservation for employees or shareholders of promoting companies or shareholders of group companies and/or any other reservations or firm allotments as may be permitted, timing, pricing and all the terms and conditions of the issue of the Equity Shares, and to accept, implement, negotiate, carry out and decide any amendments, modifications, variations or alterations thereto;
2. to appoint and enter into arrangements with the book running lead managers, co-mangers to the Issue, underwriters to the Issue, bankers to our Company, syndicate members to the Issue, advisors to the Issue, stabilizing agent, brokers to the Issue, escrow collection bankers, accountants, auditors, depositories, trustees, custodians, registrar to the Issue, legal advisors as to Indian and overseas jurisdictions to our Company, advertising and/or promotion or public relations agencies and any other agencies, persons or other intermediaries as may be involved with the IPO, including any successors or replacements thereof;
3. to finalize, approve, execute and deliver or arrange the delivery of the offering documents (including the draft red herring prospectus, the red herring prospectus, the final prospectus (including the preliminary international wrap and the final international wrap, if required, for marketing of the Issue in jurisdictions outside India)), the statement-in-lieu of the prospectus, syndicate agreement, underwriting agreement, escrow agreement, stabilization agreement and all other documents, deeds, agreements and instruments and any amendments, supplements, notices or corrigenda thereto, together with any summaries thereto, as may be required or desirable in connection with the issue of the Equity Shares or the IPO by our Company;
4. to open one or more separate current account(s) in such name and style as may be decided, with a scheduled bank to receive applications along with application monies in respect of the issue of the Equity Shares of our Company;
5. to open one or more bank account(s) of our Company in such name and style as may be decided for the handling of refunds for the Issue;
6. to open any other bank account(s), share/securities account, escrow or custodian accounts, in India or abroad, in rupees or in any other currency, in accordance with applicable laws, rules, regulations, approvals and guidelines;
7. to make applications for listing of the Equity Shares of our Company in one or more stock exchange(s) and to execute and to deliver or arrange the delivery of the listing agreement(s), or equivalent documentation to the concerned stock exchange(s) and to take all such actions as may be necessary in connection with obtaining the listing of the Equity Shares of our Company;
8. to make and approve amendments to the memorandum of association and the articles of association of our Company;

9. to approve all actions required to dematerialize the Equity Shares of our Company;
10. to approve codes of conduct as may be considered necessary by the Board or the IPO Committee or as required under applicable laws, regulations or guidelines for the Board, officers of our Company and other employees of our Company;
11. to approve a suitable policy on insider trading as required under applicable laws, regulations and guidelines;
12. to approve any corporate governance requirement that may be considered necessary by the Board or the IPO Committee or as may be required under applicable laws, regulations or guidelines in connection with the IPO;
13. to take all action as may be necessary or authorized in connection with any offer for sale;
14. to remunerate all book running lead managers, co-mangers to the Issue, underwriters to the Issue, bankers to our Company, syndicate members to the Issue, advisors to the Issue, stabilizing agent, brokers to the Issue, escrow collection bankers, accountants, auditors, depositories, trustees, custodians, registrar to the Issue, legal advisors as to Indian and overseas jurisdictions to our Company, advertising and/or promotion or public relations agencies and any other agencies, persons or other intermediaries as may be involved with the IPO, by way of commission, brokerage, fees or the like;
15. to seek the admission of our Company's Equity Shares into the Central Depository Services (India) Limited and the National Securities Depository Limited and take any further action as may be necessary or required for the dematerialization of our Company's Equity Shares;
16. to seek, if required, the consent of our Company's lenders, parties with whom our Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in connection with the IPO;
17. to determine the price band for the purpose of bidding, any revision to the price band and the final IPO price after bid closure;
18. to determine the bid opening and closing dates;
19. to finalize the allocation/allotment/transfer of Equity Shares to retail investors/non-institutional investors/qualified institutional buyers in consultation with the book running lead managers, the stock exchanges and/or any other entity;
20. to allocate/issue/allot/transfer the Equity Shares in accordance with the terms of the IPO, and all such Equity Shares shall rank *pari passu* with the existing Equity Shares of our Company in all respects, except as may be provided under the terms of the Issue and any IPO document;
21. to authorize and empower Dr. Kannan K. Vishwanath, Mr. Kashi Vishwanathan and Mr. Prabhat K. Goyal, officers of our Company (each, an "Authorized Officer"), for and on behalf of our Company, to execute and deliver, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that the Authorized Officer considers necessary, desirable or advisable, in connection with the IPO, including, without limitation, engagement letter(s), the listing agreements, the registrar's agreement and memorandum of understanding, the depositories agreements, the memorandum of understanding with the book running lead managers (and other entities as appropriate), the underwriting agreement, the syndicate agreement, the stabilization agreement, the escrow agreement, confirmation of allocation notes, and any agreement or document in connection with the pre-IPO placement (including any placement agreement, escrow agreement and offering documentation), with the book running lead managers, co-mangers to the Issue, underwriters to the Issue, bankers to our Company, syndicate members to the Issue, advisors to the Issue, stabilizing agent, brokers to the Issue, escrow collection bankers, accountants, auditors, depositories, trustees, custodians, registrar to the Issue, legal advisors as to Indian and overseas jurisdictions to our Company, advertising and/or promotion or public relations agencies and any other agencies, persons or other intermediaries as may be involved with the IPO, and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer shall be conclusive evidence of the authority of the Authorized Officer and our Company in so doing;
22. to severally authorize each of the Authorized Officers to enter into and execute all other arrangements, letters, agreements, deeds, and powers of attorney with the placement agents, book running lead managers, co-mangers to the Issue, underwriters to the Issue, bankers to our Company, syndicate members to the Issue, advisors to the Issue, stabilizing agent, brokers to the Issue, escrow collection bankers, accountants, auditors, depositories, trustees, custodians, registrar to the Issue, legal advisors as to Indian and overseas jurisdictions to our Company, advertising and/or promotion or public relations agencies and any other agencies, persons or other intermediaries as may be involved with the IPO, with such changes, additions and insertions thereto as any Authorized Officer may deem necessary, appropriate or advisable, and to make payments to or remunerate the book running lead managers, co-mangers to the Issue, underwriters to the Issue, bankers to our Company, syndicate members to the Issue, advisors to the Issue, stabilizing agent, brokers to the Issue, escrow collection bankers, accountants, auditors, depositories, trustees, custodians, registrar to the Issue, legal advisors as to Indian and overseas jurisdictions to our Company,

advertising and/or promotion or public relations agencies and any other agencies, persons or other intermediaries as may be involved with the IPO, by way of fees, commission, brokerage or the like; and any such documents so executed and delivered or acts and things done or caused to be done by any Authorized Officer shall be conclusive evidence of the authority of such Authorized Officer and our Company in so doing and any document so executed and delivered or acts and things done or caused to be done by any such Authorized Officer prior to the date hereof are hereby ratified, confirmed and approved as the acts and deeds of the Authorized Officer and Company;

23. to make or to authorize an Authorized Officer to make any application and take any and all action in connection with obtaining approvals or entering into any arrangement, in respect thereof from the Foreign Investment Promotion Board of India, the Reserve Bank of India, the shareholders of our Company, the Government of India, the Securities and Exchange Board of India, the Registrar of Companies and such other authorities, as may be required, for the purpose of issue of the Equity Shares by our Company in the IPO, including the issue of the Equity Shares to non-resident investors, including but not limited to, NRIs, FIIs, FVCI's and other non-residents;
24. to severally authorize and empower each Authorized Officer, for and on behalf of our Company, to execute and deliver any and all other documents, papers or instruments and to do or cause to be done any and all acts or things as any such Authorized Officer may deem necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing resolutions for the IPO; and any such documents so executed and delivered or acts and things done or caused to be done by any such Authorized Officer shall be conclusive evidence of the authority of such Authorized Officer and our Company in so doing and any such document so executed and delivered or acts and things done or caused to be done by any such Authorized Officer prior to the date hereof are hereby ratified, confirmed and approved as the act and deed of the Authorized Officer and our Company, as the case may be;
25. to settle all questions, difficulties or doubts that may arise in regard to the Issue or allotment of Equity Shares as the IPO Committee may, in its absolute discretion, deem fit; and
26. to sign, execute, and deliver all such documents or instruments and do all such acts, deeds, matters and things as the IPO Committee may, in its absolute discretion, deem necessary or desirable in order to carry out the purposes and intent of the foregoing, or otherwise in relation to the Issue or any matter incidental or ancillary in relation to the Issue, including without limitation, allocation and allotment of the Equity Shares as permissible in law and issue of share certificates in accordance with the relevant rules, and any documents or instruments so executed and delivered or acts and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing.

POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

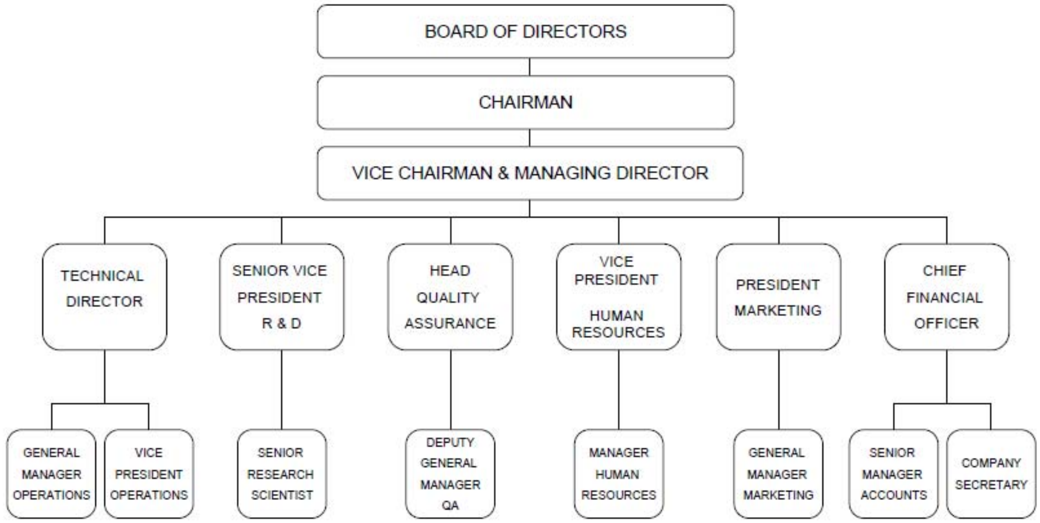
We will comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 1992 after listing of our Company's Equity Shares on the Stock Exchanges i.e. BSE and NSE.

Mr. Sumant A. Khedekar, our Company Secretary and Compliance Officer, is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

UNSECURED LOANS

For details with respect to unsecured loans of the Directors, please refer to *"Annexure 9" "Unsecured Loans"* of the chapter titled "*Auditors' Report and Financial Information of our Company"* beginning on page 192 of the Red Herring Prospectus.

MANAGEMENT ORGANISATION STRUCTURE



OUR KEY MANAGERIAL PERSONNEL ("KMP")

The key managerial personnel of our Company other than our Executive Directors are as follows:

Name	Designation
Mr. Mani S. Iyer	Chief Financial Officer
Dr. B. Ramamurthy	Senior Vice President – Research and Development
Mr. A. N. Acharya	Head Quality Assurance
Dr. Bhanu P. Pandey	President – Marketing
Mr. Anthony Pereira	Vice President – HR and Administration / Industrial Relations
Mr. Rashmin C. Virkud	General Manager – Operations
Mr. Pramod Nanu	General Manager – Marketing
Dr. Latha C.	Senior Research Scientist
Ms. Indira Surendran	Deputy General Manager Regulatory Affairs
Ms. Jayanthi R. Moily	Deputy General Manager – Marketing
Mr. Sumant A. Khedekar	Company Secretary and Compliance Officer

Note:

- All the key managerial personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no understanding with major shareholders, customers, suppliers or others pursuant to which any of the above mentioned personnel have been recruited.
- None of the key personnel mentioned above are related to the Promoters/Directors of our Company.
- The key managerial personnel as disclosed above are not key managerial personnel as defined under Accounting Standard 18.

The details of our key managerial personnel are set out below:

Mr. Mani S. Iyer, aged 52 years is the Chief Financial Officer of our Company. He is a Chartered Accountant and certified Information Systems Auditor from the Institute of Chartered Accountants of India and holds a Bachelor's degree in Commerce from the University of Mumbai. Prior to joining our Company, he has worked with companies which includes Dar Group- KSA/UK, Mahindra Ugine Steel Company Limited (MUSCO), Tata Consultancy Services and Deloitte Haskins and Sells (earlier S. B. Billimoria & Co.). He has an overall experience of 27 years in the field of finance, banking and investments, both in India and abroad. He joined our Company on June 01, 2008 and is responsible for arranging funds for expansion, monitoring the corporate finance and accounts, ensuring timely completion of internal and statutory audits and secretarial matters of our Company. For the FY 2010 - 2011, the gross remuneration paid by us to Mr. Iyer was ₹ 18.97 lacs**.**

Dr. B. Ramamurthy, aged 56 years is Senior Vice President, Research and Development of our Company. He has done his Bachelor's degree in science from University of Mumbai, and is a master of science from University of Mumbai with specilisation in Organic Chemistry. He also holds a doctorate from Indian Institute of Science, Bangalore in Organic Chemistry. Prior to joining our Company, he has worked with Shasun Chemicals and Drugs Limited, Alchem International Limited, Sekhsaria Chemicals Limited and Microgenics Corporation, California, at various senior capacities. He is a member of American Chemical Society and is an author and co author of 20 technical publications. He has an overall experience of 22 years in the field of bulk drugs and fine chemicals. At present, he is heading the research and development centre of our Company. He joined our Company on October 20, 2008 and resigned w.e.f. October 15, 2009 to join Surya Pharmaceutical Limited. He once again joined our Company on August 07, 2010. Total remuneration paid to Dr. Ramamurthy for FY 2010 – 2011 by our Company was ₹ 6.97 lacs.

Mr. A.N. Acharya, aged 53 years is Head, Quality Assurance of our Company. He holds a Master's degree in Science from Karnataka University. Prior to joining our Company, he has worked with Bombay Drug House, Kandivali, Chemphar Drugs & Liniments, Hyderabad, Arthemis Pharmacheuticals Limited, Hyderabad, Aurobindo Pharmacheuticals Limited, Surya Pharmacheuticals Limited, Chandigarh and Isagro Asia Agro Chemicals Limited, Panoli, Gujarat . He has an experience of 30 years in the field of pharmacheuticals industry. At present he is responsible for improving the systems for compliance in quality assurance and quality control in our Company. He joined our Company on November 12, 2010. Total remuneration paid to Mr. A.N. Acharya for FY 2010 – 2011 by our Company was ₹ 2.66 lacs.

Dr. Bhanu P. Pandey, aged 49 years is the President – Marketing of our Company. He holds Master's degree in Business Administration (Marketing) from Belford University, Texas and Post Graduation and Doctorate in Philology from Peoples Friendship University, Moscow. Prior to joining our Company, he has worked with various companies including Mission Vivacare Limited, Syncom Formulations (I) Limited, Ajanta Pharma Limited, and Caprihans India Limited. He has an experience of 25 years in the field of international marketing and sales, business development, channel development and key account management in the pharmaceutical industry. At present, he is responsible for the promotion of the formulations products of our Company in the international markets. He joined our Company on June 01, 2010. Total remuneration paid to Dr. Bhanu P. Pandey for FY 2010 – 2011 by our Company was ₹ 7.93 lacs.

Mr. Anthony Pereira, aged 43 years is the Vice President – HR and Administration / Industrial Relations of our Company. He holds a degree in Bachelor of Science (Mathematics) from Madras University, Bachelor of Laws degree from Kanpur University and holds a Post Graduate diploma in Human Resource Management from Indira Gandhi National Open University (IGNOU). He is also a Master of Business Administration (HRM) from IGNOU and Personnel Management (Personnel and Admin) at Admin Training Institute, Indian Air Force. Prior to joining our Company, he has worked with Sparta Cements & Infra Limited, Lincoln Pharmaceuticals Limited, Gallop Motors Private Limited and he has even served the Indian Air Force for a period of 20 years. He has an experience of 23 years in the filed of human resource management and administration. His present responsibilities in our Company include employee training and development, manpower planning and budgeting, hiring, retention and compensation of the management. He joined our Company on April 15, 2010. Total remuneration paid to Mr. Anthony Pereira for FY 2010 – 2011 by our Company was ₹ 8.51 lacs.

Mr. Rashmin C. Virkud, aged 41 years is the General Manager- Operations of our Company. He holds a Bachelor's degree in Engineering (Chemical) from the University of Mumbai. Prior to joining our Company, he has worked with Kores India Limited, P.I. Drugs and Pharmaceuticals Limited, Emcure Pharmaceuticals Limited and Arch Pharma Labs Limited. He has an experience of 16 years in the pharmaceutical industry. He joined our Company on May 26, 2009. At present he is responsible for the entire operations at our unit in Mahad. For the FY 2010 - 2011, the remuneration paid by us to Mr. Virkud was ₹ 9.97 lacs.

Mr. Pramod Nanu, aged 43 years is the General Manager – Marketing of our Company. He holds a Bachelor's degree in Commerce from University of Burdwan, West Bengal and holds a Diploma in Import and Export Management. Prior to joining our company, he has worked with Shamrock International, Kopran Limited and Indoco Remedies Limited. He has an experience of 12 years in the field of Export Management. He joined our Company on March 02, 2009. At present he is responsible for the business development and exports of the products of our Company. For the FY 2010 - 2011, the gross remuneration paid by us to Mr. Nanu was ₹ 7.90 lacs.

Dr. Latha C., aged 49 years is the Senior Research Scientist, of our Company. She holds a Masters degree in Science from University of Kerala, M.Phil in Lifesciences from University of Mumbai and a doctorate in Environmental Studies from University of Cochin. Prior to joining our Company, she has worked as a research associate with the Indian Institute of Science, National Chemical Laboratory, Indian Institute of Technology and Institute of Chemical Technology. She has an experience of 11 years in the field of research on isolation, characterisation and bioactivity studies of natural products, molecular biology and genetic engineering techniques. She is a member of American Society of Pharmacognosy & Phytochemical Society of Europe & International Federation of University of Women & Third World Organization of Women in Science. She joined our Company on February 01, 2010. At present she is responsible for Research and Development and Regulatory Affairs of our unit in Mahad. For the FY 2010 - 2011, the gross remuneration paid by us to Dr. Latha was ₹ 4.70 lacs.

Ms. Indira Surendran, aged 47 years is the Deputy General Manager - Regulatory Affairs of our Company. She holds a Bachelor of Science degree in Chemistry from University of Kerala. She also holds a Master's Degree in Chemistry from Madurai Kamraj University. Prior to joining our Company, she has worked with AMRI India Private Limited, Amoli Organics and Kopran Limited. She has an experience of 24 years in the field of quality control and quality assurance. She joined our Company on December 15, 2009. At present she is responsible for GMP audits by international regulatory authorities, filing of DMFs and improving system compliance in quality assurance in our Company. For the FY 2010 - 2011, the remuneration paid by us to Ms. Surendran was ₹ 4.15 lacs.

Ms. Jayanthi R. Moily, aged 49 years, is our Deputy General Manager - Marketing. She has done her Bachelor of Arts from S.N.D.T Women's University. Prior to joining our Company, she has worked with Salamax Export International and Polydrug Laboratories Private Limited and was the management representative of ISO. She has 22 years of experience in marketing and managing exports. She joined our Company on January 15, 2009. At present, she is responsible for marketing of the products of our Company. For the FY 2010 - 2011, the gross remuneration paid by us to Ms. Moily was ₹ 2.54 lacs.

Mr. Sumant A. Khedekar, aged 23 years, is the Company Secretary and Compliance Officer of our Company. He is a qualified Company Secretary from the Institute of Company Secretaries of India and also holds a Bachelor's Degree in Commerce from the University of Mumbai. Prior to joining our Company, he completed his apprenticeship training from M/s S. N. Ananthasubramanian & Co., Practicing Company Secretaries,. He has an overall experience of 2 years in the field of Accounts, secretarial compliances and RoC matters. He joined our Company on January 05, 2011 and has been appointed as the Company Secretary and Compliance Offier since February 1, 2011. At present, he is responsible for looking after the secretarial matters of our Company. Total remuneration paid to Mr. Sumant A. Khedekar for FY 2010 – 2011 by our Company was ₹ 0.83 lacs.

Shareholding of our Key Managerial Personnel

None of our key managerial personnel hold any Equity Shares in our Company as on date of the Red Herring Prospectus.

Relation of the Key Managerial Personnel with our Promoters/Directors

None of our key managerial personnel are "related" to the Promoters or Directors of our Company within the meaning of Section 6 of the Companies Act.

Interest of KMPs / Payment of benefits to officers of our Company

Except as disclosed in this chapter none of our key managerial personnel have any interest in our Company other than to the extent of remuneration or benefits to which they are entitled 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. We have not paid /given any benefit to the officers of our Company, within the two preceding years nor do we intend to make such payment/give such benefit to any officer as on the date of the Red Herring Prospectus.

Changes in the Key Managerial Personnel

Save and except as mentioned below, there had been no changes in Key Managerial Personnel of our Company that are not in the normal course of employment, during the last three (3) years:

Name of the Key Management Person	Date of Appointment	Date of Resignation	Reason for Change
Mr. Mani S. Iyer	June 01, 2008	-	Appointment
Ms. Jayanthi R. Moily	January 15, 2009		Appointment
Mr. Pramod Nanu	March 02, 2009	-	Appointment
Mr. Rashmin C. Virkud	May 26, 2009	-	Appointment
Mr. Indira Surendran	December 15, 2009	-	Appointment
Dr. Vijay S. Taile	January 04, 2010	July 3, 2010	Resignation
Dr. Latha C.	February 01, 2010	-	Appointment
Mr. Sushant S. Gawade	March 18, 2010	February 1, 2011	Resignation
Mr. Anthony Pereira	April 15, 2010	-	Appointment
Mr. Saradhi B. Shankar	April 19, 2010	November 22, 2010	Appointment
Mr. Bhanu P. Pandey	June 01, 2010	-	Appointment
Dr. B. Ramamurthy	October 20, 2008	October 15, 2009	Resignation
Dr. Suresh Thangaraj	September 20, 2008	March 05, 2010	Resignation
Mr. A.N. Acharya	November 12, 2010		Appointment
Dr. B. Ramamurthy	August 07, 2010		Appointment
Mr. Sumant A. Khedekar	February 1, 2011	-	Appointment

EMPLOYEES

For details of the Employees/ Manpower of our Company, please refer to the paragraph titled "*Manpower*" beginning on page 135 under chapter "*Business Overview*" beginning on page 121 of the Red Herring Prospectus.

Employees Stock Option Scheme

Our Company does not have any Employee Stock Option Scheme/Employee Stock Purchase Scheme or other similar scheme giving options in our Equity Shares to our employees.

Bonus or Profit Sharing Plan of the Key Management Personnel

Our Company does not have any bonus or profit sharing plan of the Key Management Personnel.

OUR PROMOTERS AND THEIR BACKGROUND

Our Promoters currently hold 75,76,617 Equity Shares, equivalent to approximately 100% of our pre-Issue paid-up share capital. The Promoters of our Company are:

1. Dr. Kannan Kashi Vishwanath;
2. Aasda Life Care Limited (earlier known as Finaventure Capital Limited)

OUR INDIVIDUAL PROMOTER

DR. KANNAN KASHI VISHWANATH,

Dr. Kannan K. Vishwanath, aged 34 years, is the Promoter and the Vice Chairman and Managing Director of our Company. Dr. Vishwanath is responsible for guiding our Company's management and global operation to its next phase of growth. He holds a Bachelor's degree in chemical engineering from University of Pune and Masters degree in Business Administration (MBA) from the Hamilton College, USA. He has been conferred honorary doctorate (Honoris Causa) from the International University, Vienna. He is also a member of the Indo American Chamber of Commerce. He has an experience of 10 years in the pharmaceutical industry. As the Vice Chairman and Managing Director, Dr. Vishwanath, has been the backbone of our Company's operations and is involved in formulating strategies and policies of our Company. Under his vision our Company has ventured into new geographies with a wide range of products in various therapeutic segments.

Driving License No.: 13420
Voter Id No.: Not available
DIN Number: 00290535
Address: Vishwam 8/B, Postal Colony, Chembur Mumbai - 400071, Maharashtra, India

We confirm that the Permanent Account Number, Bank Account Number and Passport Number of our Promoters has been submitted to Stock Exchanges at the time of filing the Draft Red Herring Prospectus with the Stock Exchanges.

For details pertaining to other ventures of our Promoters refer chapter titled *"Our Promoter Group"* beginning on page 189 of the Red Herring Prospectus.

OUR CORPORATE PROMOTER

AASDA LIFE CARE LIMITED ("AASDA")

Aasda Life Care Limited (earlier known as Finaventure Capital Limited) was incorporated on January 19, 1985 as Streamlink Trading and Finance Company Limited and was granted the Certificate of Commencement of Business on January 23, 1985. The Corporate Identity Number of AASDA is L24232MH1985PLC035113. The registration number of AASDA is 035113 and it falls under the jurisdiction of RoC, Maharashtra, Mumbai. Subsequent to incorporation, the name of this company was changed as follows:

Sr. No.	Date	Change in Name	
		From	To
1.	January 04, 1990	Streamlink Trading and Finance Company Limited	Aridhi Hi- Tech Industries Limited
2.	June 05, 2007	Aridhi Hi-Tech Industries Limited	Indusvista Ventures Limited
3.	May 06, 2009	Indusvista Ventures Limited	Finaventure Capital Limited
4.	March 31, 2010	Finaventure Capital Limited	Aasda Life Care Limited

Registered Office

The registered office of Aasda is situated at Aanjaneya House, Plot 34, Postal Colony, Chembur, Mumbai – 400 071, Maharashtra, India.

Principal business of Aasda Life Care Limited

The main object of AASDA, as amended on February 28, 2010, is to carry on the business of processing, converting, producing, manufacturing, formulating using, buying acquiring, storing, packing, selling, marketing, transporting, importing, exporting and disposing of all types and description of drugs, drug, intermediates, synthetic drugs, medicines, vitamins, antibiotics, basic drugs, pharmaceuticals, biological products, food stuffs for human and animal use, gelatine capsules, sugar, bio-chemicals pesticides, fungicides, germicides insecticides, medicinal, dye-stuff, intermediates, manufacturers, importers, exporters, commission agent, retailers and traders and dealing in all types of medical, bio-medicals, surgical, chemical, laboratory, diagnostic, analytical, scientific, precision equipments, electrical, mechanical, electro mechanical, plants, devices, components, tolls, fixtures, jigs and all accessories and re agents there of used in pharmaceutical and surgical systems.

Proposed change in name and objects of Aasda Life Care Limited

In order to diversify the existing business activities of our Corporate Promoter to life care industry and its related products, the name of our Corporate Promoter was changed from Finaventure Capital Limited to Aasda Life Care Limited on March 31, 2010. Our Corporate Promoter, Aasda Life Care Limited, vide letter dated April 7, 2010 has applied for change in name to BSE. However vide letter dated April 19, 2010 BSE expressed its inability to incorporate such change in its records as our Corporate Promoter, Aasda Life Care Limited does not meet the criteria as set out in clause 32 of the Listing Agreement viz:

- At least 50% of the total revenue in the preceding one year period should have been accounted for by the new activity suggested by the new name.
- A time period of at least 1 year should have elapsed from the last name change.

Further, BSE vide its email dated June 10, 2010 requested Aasda Life Care Limited to furnish certain papers as per the checklist attached with the email. Aasda Life Care Limited vide its letter dated September 6, 2010 has once again requested BSE to consider the application for change in name. Further, Aasda Life Care Limited vide its reply letter dated September 07, 2010 submitted the papers as sought in the email dated June 10, 2010. Since the change of name of Aasda Life Care Limited is yet to be approved by BSE, the shares of our company are traded in the name of Finaventure Capital Limited.

During the pendency of this application for change in name, in order to avoid confusion in the mind of the investors, the Board of Directors of our Corporate Promoter in their meeting dated March 18, 2011 have now proposed to change the name of our Corporate Promoter back to Finaventure Capital Limited and consequently have proposed to amend the main objects subject to the approval of the central government and its shareholders for which a notice of postal ballot dated March 31, 2011 has already been dispatched to the shareholders. The result of the postal ballot shall be announced by the chairman of Aasda Life Care Limited (formerly known as Finaventure Capital Limited) on May 05, 2011. The proposed amendment to the main object of our Corporate Promoter is by replacing its main object with the following:

"To carry on the business of Company with the object of financing, investing in industrial, or other enterprises and to make loans, give guarantees and provide securities, to any other company, whether promoted by this company or not, to finance the industrial or other enterprises by way of lending and advancing money, machinery, land, building, shed or such other things as may be required by such enterprises, either with or without security and upon such terms and conditions as the company may think fit and to guarantee or become sureties for the performance of any agreement or contract entered into by any such enterprises with any financial institution, banks or other parties for obtaining finance, whether for its long term capital, working capital or for any other types of financial assistance."

History of Aasda Life Care Limited

Aasda Life Care Limited is listed on the BSE and DSE and was earlier listed on UPSE as well.. The current promoter of Aasda Life Care Limited is Dr. Kannan K. Vishwanath.

Aasda Life Care Limited (earlier known as Finaventure Capital Limited) was incorporated on January 19, 1985 as Streamlink Trading and Finance Company Limited and was granted the Certificate of Commencement of Business on January 23, 1985. The Corporate Identity Number of AASDA is L24232MH1985PLC035113. The registration number of AASDA is 035113 and it falls under the jurisdiction of RoC, Maharashtra, Mumbai. Subsequent to incorporation, the name of this company was changed as follows:

Sr. No.	Date	Change in Name	
		From	To
1.	January 04, 1990	Streamlink Trading and Finance Company Limited	Aridhi Hi- Tech Industries Limited
2.	June 05, 2007	Aridhi Hi-Tech Industries Limited	Indusvista Ventures Limited
3.	May 06, 2009	Indusvista Ventures Limited	Finaventure Capital Limited
4.	March 31, 2010	Finaventure Capital Limited	Aasda Life Care Limited

Note: The Board of Directors of our Corporate Promoter in their meeting dated March 18, 2011 have now proposed to change the name of our Corporate Promoter back to Finaventure Capital Limited. For further details on such proposed change in name please refer to the paragraph titled "Proposed change in name and objects of Aasda Life Care Limited" in this chapter.

Further, the following is the capital build up as on date of Aasda Life Care Limited:

Date of Allotment	No of shares issued	Cumulative Paid up capital (no. of shares)	Mode of allotment	Identity of allottees (promoters/ ex-promoters/ others)
As per the First Annual Report, 1985	2,45,000	2,45,000	-	Promoters and Public
29/11/1990	7,40,000	9,85,000	Rights Issue	Promoters and Public
24/12/1991	2,45,000	12,30,000	Preferential Allotment	Promoters and Public
27/04/1993	24,60,000	36,90,000	Rights Issue	Promoters and Public
28/07/2006	(1,24,510)	35,65,490	Share Forfeited for non Payment of call money*	Public
01.10.2009	70,00,000	1,05,65,490	Preferential Allotment	Promoters and Public

** The then Board of Directors, of our Corporate Promoter, vide its meeting dated July 28, 2006 resolved to forfeit 1,24,510 partly paid up shares as the call money on these shares remained unpaid for nearly 15 years, since their issue in 1993. Before such forfeiture our Corporate Promoter had issued two individual reminders and a final notice to each concerned member. Since our Corporate Promoter did not receive any reply to the notices sent, and as the presence of such partly paid up shares restricts the eligibility of a company to declare dividend or issue further capital our Corporate Promoter resolved to forfeit those shares.*

Acquisition of Indusvista Ventures Limited (IVL) by Finaventure Advisory Services (India) Private Limited (FASPL) in FY 2008-09

The following were the then promoters of IVL as per the LoF 2008:

Name of the Promoter	Shareholding	% Shareholding in the company

Name of the Promoter	Shareholding	% Shareholding in the company
Mr. Ram K Piparaiya	15,94,295	44.71%
Mrs. Aparna Piparaiya	2,20,584	6.19%
Mr. Rishi Piparaiya	25,600	0.72%
Mr. Dhiraj Piparaiya	25,755	0.72%
Aridhi Investment Consultants Private Limited	4,85,000	13.60%
Aridhi Holdings Private Limited	86,900	2.44%
Total	**24,38,134**	**68.38%**

Further, the Directors of IVL at the time of making the Public Announcement were Ram K Piparaiya, Aparna Piparaiya, Alok Gupta, Rishi Piparaiya, Shashi Gupta, Vinayak G. Kudva and Santosh G. Kudva.

The details of acquisition of shares by Promoter Group of IVL as per the LoF 2008 are as follows:

Date of Change	Change in No. of Shares	Cumulative no. of shares held by promoter & promoter group	% of the then paid up capital	Cumulative % of shares	Details of change
20/02/1997	--	2,050,651	N.A	55.57	N.A
01/02/1998	7,000	2,057,651	0.19		Off Market
11/04/1998	33,200	2,090,851	0.90	56.66	Off Market
31/03/1999	150,650	2,241,501	4.08	60.75	Off Market
15/03/2000	15,000	2,256,501	0.41	61.15	Market Purchase
16/03/2000	10,000	2,266,501	0.27	61.42	Market Purchase
22/03/2000	5,000	2,271,501	0.14	61.56	Market Purchase
23/03/2000	5,000	2,276,501	0.14	61.69	Market Purchase
27/03/2000	200	2,276,701	0.01	61.70	Market Purchase
30/03/2000	500	2,277,201	0.01	61.71	Market Purchase
31/03/2000	49,650	2,326,851	1.35	63.06	Off Market
31/03/2000	7,696	2,334,547	0.21	63.27	Off Market
31/03/2000	76,700	2,411,247	2.08	65.35	Off Market
02/07/2002	700	2,411,947	0.02	65.36	Market Purchase
03/07/2002	200	2,412,147	0.01	65.37	Market Purchase
05/07/2002	1,200	2,413,347	0.03	65.40	Market Purchase
08/07/2002	3,000	2,416,347	0.08	65.48	Market Purchase
09/07/2002	1,399	2,417,746	0.04	65.52	Market Purchase
10/07/2002	3,900	2,421,646	0.11	65.63	Market Purchase
11/07/2002	500	2,422,146	0.01	65.64	Market Purchase
12/07/2002	1,600	2,423,746	0.04	65.68	Market Purchase
15/07/2002	2,400	2,426,146	0.07	65.75	Market Purchase
16/07/2002	2,400	2,428,546	0.07	65.81	Market Purchase
17/07/2002	900	2,429,446	0.02	65.84	Market Purchase
18/07/2002	1,200	2,430,646	0.03	65.87	Market Purchase
19/07/2002	1,750	2,432,396	0.05	65.92	Market Purchase
22/07/2002	2,600	2,434,996	0.07	65.99	Market Purchase
23/07/2002	1,200	2,436,196	0.03	66.02	Market Purchase

Date of Change	Change in No. of Shares	Cumulative no. of shares held by promoter & promoter group	% of the then paid up capital	Cumulative % of shares	Details of change
25/07/2002	100	2,436,296	0.00	66.02	Market Purchase
08/08/2002	300	2,436,596	0.01	66.03	Market Purchase
13/08/2002	200	2,436,796	0.01	66.04	Market Purchase
14/08/2002	200	2,436,996	0.01	66.04	Market Purchase
21/08/2002	38	2,437,034	0.00	66.04	Market Purchase
26/09/2002	300	2,437,334	0.01	66.05	Market Purchase
27/09/2002	200	2,437,534	0.01	66.06	Market Purchase
16/10/2002	100	2,437,634	0.00	66.06	Market Purchase
17/10/2002	500	2,438,134	0.01	66.07	Market Purchase

Cumulative percentage of shares has increased from 66.07% to 68.38% due to forfeiture of 1,24,510 shares on July 28, 2006

On September 16, 2008, Finaventure Advisory Services (India) Private Limited (FASPL) entered into a share purchase agreement, with the then promoters of IVL to acquire 24,38,134 fully paid up shares of ₹ 10 each of IVL at a price of ₹ 25.35 per share and 2,100 equity shares through the open market with a the total of 24,40,234 equity shares representing 68.44% of the fully paid up equity share capital of IVL. This resulted into the triggering of SEBI Takeover Regulations.

FASPL made an offer of 20% (or 7,13,098 equity shares) of fully paid up capital of IVL in terms of Regulation 10 and 12 of SEBI Takeover Regulations and FASPL proposed to be majority shareholder pursuant to the issue and take over the management control of IVL.

On the completion of the open offer 99,882 equity shares were tendered and FASPL owned 71.24% share capital in the company.

Objects of the acquisition/ offer

a. FASPL proposed to be a majority shareholder pursuant to acquisition of shares and take over of management control of IVL. The offer of 20% of the paid up share capital of IVL was made in terms of Regulations 10 & 12 of the SEBI (SAST) Regulations.
b. FASPL intended to pursue its investment activities in a more organized manner through the acquisition of IVL, a listed vehicle.

FCL and its then existing promoters had complied with all the applicable provision of Chapter II of the SEBI (SAST) Regulations. However there was a delay in compliance by IVL (under the previous management), for the period 1997-2002 (as defined below), which was regularized through the SEBI Regularization scheme, 2002.

Sr. No.	Regulation / Sub - regulation	Due date for compliance as mentioned in the regulation	Actual date of compliance	Delay, if any (in no. of days) Col 4 – Col 3	Remarks
1.	6(1)	20.05.1997	March 29, 2003	2139	Regularized vide SEBI Regulation, Scheme, 2002
2.	6(4)	20.05.1997	March 29, 2003	2139	
3.	8(3)	30.04.1998	March 29, 2003	1794	
4.	8(3)	30.04.1999	March 29, 2003	1429	
5.	8(3)	30.04.2000	March 29, 2003	1063	
6.	8(3)	30.04.2001	March 29, 2003	728	

7.	8(3)	30.04.2002	March 29, 2003	333

Source: LoF 2008

The promoters of Finaventure Advisory Services (India) Private Limited were Mr. Vinayak G. Kudva and Mr. Santosh G. Kudva and they also constituted the Board of Directors of Finaventure Advisory Services (India) Private Limited.

Further, the name of Indusvista Ventures Limited was changed to Finaventure Capital Limited (FCL) on May 06, 2009.

Post acquisition, FCL was promoted by Finaventure Advisory Services (India) Private Limited.

Acquisition of Finaventure Capital Limited (FCL) by Dr. Kannan K. Vishwanath in FY 2009 - 2010

1. Dr. Kannan K. Vishwanath entered into a Memorandum of Understanding (MOU) on August 07, 2009 with FASPL, the existing promoter of FCL, to acquire 7,50,000 equity shares representing 7.10% of total emerging (post) paid up equity share capital of FCL at ₹ 40 per fully paid up equity share. As per the MOU, after the successful completion of open offer formalities, FASPL was required to step down from the promoter's category and its shareholding will be classified under public category.

2. Finaventure Capital Limited (Now AASDA) at its board meeting held on August 07, 2009, approved to buy out 100% shareholding of Aanjaneya Biotech Private Limited (ABPL).

   On August 07, 2009, Dr. Kannan K. Vishwanath, was the majority shareholder of Aanjaneya Biotech Private Limited (ABPL) holding 33,47,000 equity shares, which represents 67.62% of the total paid-up and subscribed capital of ABPL.

The shareholding pattern of ABPL was as under:

Name of the Shareholder	Percentage with respect to total paid up capital
Dr. Kannan K Vishwanath	67.62%
Others	
Universal Medicament Private Limited *	14.00%
Universal Medikit Private Limited**	18.38%
Total	**100.00%**

** The Promoters of Universal Medicament Private Limited as per the* LoF 2009 *were Faiz Vali and family. The Directors of Universal Medicament Private Limited as disclosed in the* LoF 2009 *were Faiz Vali, Hakimuddin Rizvi and Mohammed Vali.*

*** The Promoters of Universal Medikit Private Limited as per the LoF 2009 were Sanjay Pandya and Nimish Lal. The Directors of Universal Medicament Private Limited as disclosed in the LoF 2009 were Pravin L. Jahangirdar, Rajeev Jidewar, Zoeb Izzuddin and Nimish Lal.*

FCL agreed that the consideration for the shares of ABPL acquired shall be through a fresh issue of its own equity shares, and as per the pricing methodology of the Preferential Issue Guidelines, mentioned in Chapter XIII of the SEBI Disclosure for Investor Protection Guidelines, 2000 and subsequent amendments thereto.

The acquisition value had been agreed by both parties based on a valuation report presented by M/s Sunil Mistry & Co., Chartered Accountants. The said report valued 100% shareholding of ABPL at ₹ 2,800 lacs.

M/s Hasmukh Shah & Associates, Chartered Accountants, vide their certificate dated August 08, 2009 certified that the pricing if new shares to be issued should not be less than ₹ 28.46 per share, based on the Preferential Issue Guidelines by SEBI.

Based on the aforesaid arrangement, FCL issued 70,00,000 new equity shares on a preferential basis at a price of ₹ 40 per equity share as set out below:

Name of the shareholder	Percentage with respect to emerging (post) paid up capital of FCL
Dr. Kannan K. Vishwanath	44.80%
Others	
Universal Medicament Private Limited	9.28%
Universal Medikit Private Limited	12.17%
Total	**66.25%**

Dr. Kannan K. Vishwanath, post allotment and post acquisition held 54,83,131 equity shares of the FCL representing 51.90% of the emerging paid up equity share capital of FCL.

3. Dr. Kannan K. Vishwanath made an offer dated November 11, 2009 for acquiring 20% (or 21, 13,098 equity shares) of the emerging paid up equity share capital of FCL made in terms of Regulation 10 and 12 of SEBI Takeover Regulations at ₹ 40/- per fully paid up equity share. He proposed to be a majority shareholder pursuant to the acquisition of shares and proposed preferential allotment and take over the management control of FCL.

At the completion of open offer a total of 66,395 equity shares were tendered and the holding of Dr. Kannan K. Vishwanath became 52.53% of the total paid up equity share capital.

Objects of the acquisition/ offer

a. Dr. Kannan K. Vishwanath proposed to be a majority shareholder pursuant to acquisition of shares and take over of management control of FCL. The offer of 20% of the emerging paid up equity share capital of FCL was made in terms of Regulations 10 & 12 of the SEBI (SAST) Regulations.

b. Dr. Kannan K. Vishwanath had more than 10 years of experience and expertise in the field of pharma industry, and intended to use the listed entity to further enhance the business and pursue activities in a more organized manner. Dr. Kannan K. Vishwanath intended to use his expertise and experience in growing business of Aanjaneya so that the shareholders of FCL could also benefit.

The name of Finaventure Capital Limited was subsequently changed to Aasda Life Care Limited on March 31, 2010.

As on December 31, 2010, the following were the promoters of Aasda Life Care Limited:

Name of the Promoter	Shareholding as on December 31, 2010	% Shareholding in the company
Dr. Kannan K. Vishwanath	55,49,526	52.53%
Total	**55,49,526**	**52.53%**

Note: *The funding of the purchase of shares by Dr. Kannan K. Vishwanath of 7,50,000 @ ₹40 per shares under the MoU on August 07, 2009 with FASPL and for the shares acquired in the open offer, aggregating to ₹322.55 lacs, was done from his personal funds. According to the certificate dated August 08, 2009 of Patel & Kurup, Chartered Accountants as disclosed in the LoF 2009, Dr. Kannan K. Vishwanath had a net worth of ₹1285.75 lacs as on June 30, 2009.*

Further, since the 70,00,000 equity shares were allotted by FCL to the then shareholders of Aanjaneya Life care Limited in consideration of the shares of Aanjaneya Life Care Limited, there was no cash payment made by Dr. Kannan K. Vishwanath and other shareholders for such allotment.

Further, our company made a preferential allotment to Aasda Life Care Limited and Dr. Kannan K. Vishwanath on March 23, 2010 aggregating to 6,00,000 and 2,26,227 equity shares respectively. Further, a fresh preferential allotment was made to Dr. Kannan K Vishwanath aggregating to 18,00,000 equity shares. For further details please refer to Chapter titled "*Capital Structure*" beginning on page 58 of this RHP.

The Board of Aasda Life Care Limited decided to diversify and enter into Life Care Industry which they perceived to have tremendous potential for growth and expansion. For such diversification and expansion and to consolidate Company's position in the existing markets by executing fast track orders and make inroads into new markets, Aasda Life Care Limited required finance. Therefore, in the year 2010, and pursuant to a special resolution dated February 06, 2010, the Board of Directors of Aasda Life Care Limited proposed to offer securities of its company in the International Market in form of Foreign Currency Convertible Bonds (FCCB), Global Depository Receipts (GDRs) and/or American Depository Receipts (ADRS), Rights Issue for an aggregate sum upto ₹ 300 Crores (INR) in accordance with the provisions of Section 81 (1A) of the Companies Act. Further, vide letter dated June 17, 2010 issued from the BSE, Aasda Life Care Limited has received in–principle approval under clause 24 (a) of the Listing Agreement for the said offering.

Aasda Life Care Limited has given an Offering Circular of 10,00,000 Global Depository Receipts (GDR) representing 1,00,00,000 equity shares of the a nominal value of ₹ 10/- each. Each GDR represents 10 equity shares. The GDR's were to be issued in accordance with the automatic route of the Reserve Bank of India set forth in the RBI Notification No. FEMA 20/2000-RB, dated 3rd May 2000.

However, after considering the response of prospective investors and pursuant to the recommendation of advisors, the management of our Corporate Promoter did not deem fit to proceed with such expansion and diversification at that point in time of Aasda Life Care Limited and therefore the Promoters proposed to expand Aanjaneya Life Care Limited, an already established player in pharmaceutical industry and which has shown significant growth in the preceding years.

Shareholding Pattern of Aasda Life Care Limited (as on December 31, 2010)

Category Code	Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of total No. of shares		Shares pledged or otherwise encumbered	
					As a % of (A+B)	As a % of (A+B+C)	Number of Shares	As a % of total no. of shares
(A)	**Shareholding of Promoter and Promoter Group**							
(1)	**Indian**							
(a)	Individuals/ Hindu Undivided Family	1	5,549,526	5,549,526	52.53	52.53	-	-
(b)	Central Government/State Government (s)	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-
(d)	Financial Institutions/Banks	-	-	-	-	-	-	-
(e)	Any Other	-	-	-	-	-	-	-
	Sub Total (A) (1)	**1**	**5,549,526**	**5,549,526**	**52.53**	**52.53**	**-**	**-**
(2)	**Foreign**							
(a)	Individuals (Non Resident Individuals/Foreign Individuals)	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-

(c)	Institutions	-	-	-	-	-	-	-
(d)	Any Other	-	-	-	-	-	-	-
	Sub Total (A) (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total shareholding of Promoter and Promoter Group (A)=(A)(1) + (A)(2)	**1**	**5,549,526**	**5,549,526**	**52.53**	**52.53**	**-**	**-**
(B)	**Public Shareholding**							
(1)	**Institutions**							
(a)	Mutual Funds/UTI	-	-	-	-	-	-	-
(b)	Financial Institutions / Banks	-	-	-	-	-	-	-
(c)	Central Government / State Government (s)	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-
(f)	FIIs	-	-	-	-	-	-	-
(g)	Foreign Venture Capital	-	-	-	-	-	-	-
(h)	Any Other	-	-	-	-	-	-	-
	Foreign Financial Institution	-	-	-	-	-	-	-
	Trust	-	-	-	-	-	-	-
	Sub Total (B) (1)	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(2)	**Non- Institutions**							
(a)	Bodies Corporate	68	3,705,419	1,433,850	35.07	35.07	-	-
(b)	Individuals						-	-
(i)	Individual shareholders holding nominal share capital upto ₹ 1 lakh	2,245	985,256	638,258	9.32	9.32	-	-
(ii)	Individual shareholders holding nominal share capital excess ₹ 1 lakh	14	286,797	286,797	2.72	2.72	-	-
(c)	Any other	-	-	-	-	-	-	-
(i)	Directors/Relative							
(ii)	Clearing members	23	24,364	24,364	0.23	0.23	-	-
(iii)	Market maker	1	169	169	0.01	0.01	-	-
(iv)	Non resident Indians (repeat)	6	11,309	11,309	0.10	0.10	-	-
(v)	Non resident Indians (non repeat)	4	2,650	2,650	0.02	0.02		
(vi)	Directors and their Relative							
	Sub Total (B) (2)	**2,361**	**50,15,964**	**23,97,397**	**47.47**	**47.47**	**-**	**-**
	Total public shareholding (B) = (B)(1) + (B)(2)	**2,361**	**50,15,964**	**23,97,397**	**47.47**	**47.47**	**-**	**-**
	Total (A) + (B)	**2,362**	**105,65,490**	**79,46,923**	**100**	**100**	**-**	**-**
(C)	**Shares held by custodian and against which depository receipts have been issued**							
(1)	Promoters	-	-	-	-	-	-	-
(2)	Public	-	-	-	-	-	-	-
	Sub Total (C)	-	-	-	-	-	-	-
	Grand Total (A) + (B) + (C)	**2,362**	**105,65,490**	**79,46,923**	**100**	**100**	**-**	**-**

The shareholding of the persons belonging to the "Promoter and Promoter Group" in AASDA:-

Sr. No.	Name of the shareholder	Total shares held		Shares Pledged or otherwise encumbered		
		No. of shares	As a % of Grand Total (A)+(B)+(C)	No. of shares	As a %	As a % of Grand Total (A)+(B)+(C) of sub-clause (I)(a)
(I)	(II)	(III)	(IV)	(V)	(VI)=(V)/(III)*100	(VII)
1	Dr. Kannan K. Vishwanath	55,49,526	52.53	0	0	0
	TOTAL	**55,49,526**	**52.53**	**0**	**0**	**0**

Statement showing the shareholding of the persons belonging to the category "Public' and holding more than 1% of the total number of shares as on December 31, 2010:

Sr. No.	Name of the Shareholder	No. of Shares	Shares as % of Total No. of Shares
1	Universal Medikit Pvt Ltd	1,286,869	12.18
2	Universal Medicament Pvt Ltd	980,000	9.28
3	Shriya Chemicals Pvt Ltd	500,100	4.73
4	Finaventure Advisory Services India Pvt Ltd	498,424	4.72
5	Sudar Garments Pvt Ltd	341,607	3.23
	Total	**3,607,000**	**34.14**

Board of Directors

The board of directors of Aasda Life Care Limited as on December 31, 2010 comprise of:

Sr. No.	Name	Designation	DIN
1.	Dr. Kannan K. Vishwanath	Managing Director	00290535
2.	Mr. Kashi Vishwanathan	Non Executive Director	02057551
3.	Dr. Ullooppee S. Badade	Non Executive and Independent Director	02933124
4.	Mr. Giridhar Gopal Pulleti	Non Executive and Independent Director	01594062
5.	Mr. Balkrishna Parab	Non Executive and Independent Director	03021718

Audited Standalone Financial Information

(₹ in lacs)

Particulars	2006	2007	2008	2009	2010
Authorised Capital	800.00	800.00	800.00	800.00	3,000.00
Equity Capital (excluding forfeited shares pending reissue)	362.77	356.54	356.54	356.54	1,056.54
Reserves and Surplus	119.54	123.35	172.97	154.73	2,288.90
Misc. Expenditure to the extent not written off	-	17.78	33.73	29.98	38.55
Total Income	18.73	57.49	137.94	6.34	75.00
Profit / (Loss) after tax	9.84	45.55	91.64	(22.93)	46.53
Earnings per share (₹)	0.27	1.27	2.57	(0.64)	0.44
Net Asset Value Per Share (₹)	13.29	13.64	15.03	14.51	31.72
Face Value	10.00	10.00	10.00	10.00	10.00

Aasda Life Care Limited has not been a declared a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 (the **SICA**) and is not under winding up.

STOCK MARKET DATA

The Equity Shares of Aasda Life Care Limited are presently listed on the BSE and DSE and were earlier listed on UPSE as well. . However, since there has been no trading in the shares on DSE and UPSE, the shareholders of Aasda Life Care Limited through a special resolution passed on March 23, 2009 resolved to delist the equity shares from DSE and UPSE. Aasda Life Care Limited *vide* its letters dated July 08, 2009 addressed to UPSE and DSE expressed its intention to delist from UPSE and DSE respectively. Subsequently the UPSE vide its letter dated March 31, 2011 addressed to our Corporate Promoter has delisted the securities of our Corporate Promoter from UPSE. Aasda Life Care Limited is in the process of completing the formalities for delisting its securities from the DSE.

Aasda Life Care Limited, *vide* letter dated April 7, 2010 has applied for change in name from Finaventure Capital Limited to Aasda Life Care Limited to BSE. However *vide* letter dated April 19, 2010 BSE expressed its inability to incorporate such change in its records as Aasda Life Care Limited does not meet the criteria as set out in clause 32 of the Listing Agreement. Further, BSE vide its email dated June 10, 2010 requested Aasda Life Care Limited to furnish certain papers as per the checklist attached with the email. Aasda Life Care Limited vide its letter dated September 6, 2010 has once again requested BSE to consider the application for change in name. Further, Aasda Life Care Limited *vide* its reply letter dated September 07, 2010 submitted the papers as sought in the email dated June 10, 2010.

Since the name of the Finaventure Capital Limited has not yet changed to Aasda Life Care limited on BSE, the shares of Aasda Life Care Limited are traded in the name of Finaventure Capital Limited on the BSE. The Board of Directors of Aasda Life Care Limited (formerly known as Finaventure Capital Limited) have in their meeting dated March 18, 2011 resolved to change the name from Aasda Life Care Limited to Finaventure Capital Limited and consequently change its objects, subject to the approval of the central government and its shareholders for which a notice of postal ballot dated March 31, 2011 has already been dispatched to the shareholders. The result of the postal ballot shall be announced by the chairman of Aasda Life Care Limited (formerly known as Finaventure Capital Limited) on May 05, 2011.

The details of monthly high and low of the closing prices on the BSE during the preceding six months are as follows:

Month	High (₹)	Low (₹)
October 2010	121.85	83.10
November2010	133.85	102.00
December 2010	107.10	79.90
January 2011	113.60	86.65
February 2011	89.00	73.30
March 2011	77.75	64.95

The market capitalisation of Aasda Life Care Limited (Finaventure Capital Limited) on BSE based on the closing price of ₹ 96.75 per equity share on April 08, 2011 was ₹ 102.22 crores.
(Source: www.bseindia.com)

Mechanism for redressal of investor grievance

Aasda's philosophy on corporate governance is to ensure that information disclosure to present and potential investor is maximized, to ensure that the directors, employees and all concerned are fully committed to maximizing long term value of their Shareholders and the company. AASDA recognizes that investor service and protection is a continuing exercise and reiterates its commitment to pursue highest standards to serve its stakeholders.

All share related transactions namely, transfer, transmission, transposition, nomination, dividend, change of name / address / signature, registration of mandate / power of attorney, replacement / split / consolidation of share certificate / demat / remat of shares, issue of duplicate certificates and redressal of investor grievances are being handled by Aasda's registrar and transfer agent, Link Intime India Private Limited, which discharges investor service functions.

Besides, the Board of AASDA has constituted the Shareholders' Grievance committee as per the guidelines set out in listing agreement entered into between Aasda Life Care Limited and the Stock Exchanges that *inter alia* include redressing investors' complaints regarding *Interest of our Promoters* transfer of shares, non-receipt of any correspondence from the company etc. The Committee also oversees the performance of the Registrar and transfer agents and recommends measures for the overall improvement of the quality of the investor services. The following is the status of the investor grievance complaints received from FY 2007-08 till FY 2010-11:

Particulars	Complaints Received	Complaints Resolved	Complaints Pending
For financial year 2007-08	08	08	Nil
For financial year 2008-09	16	16	Nil
For financial year 2009-10	07	07	Nil
For financial year 2010-11	127	127	Nil

Interest of Promoters

All our Promoters are interested in the promotion of our Company and are also interested to the extent of their shareholding of Equity Shares from time to time, for which they are entitled to receive the dividend declared, if any, by our Company. Our Promoter Dr. Kannan K. Vishwanath may also be deemed to be interested to the extent of remuneration and/or reimbursement of expenses payable to him under the Articles/his terms of appointment. Further, he is deemed to be interested to the extent of the compensation/rent receivable from our Company for use of the premises in which our Registered Office is situated. For further details please refer to the paragraph titled '*Properties*' on page 140 under the chapter titled *"Business Overview"* beginning on page 121 of the Red Herring Prospectus, the chapter titled "*Capital Structure"* beginning on page 58 of the Red Herring Prospectus and under the *"Annexure 17"* titled "*Details of Related Party Transactions*" beginning on page 221 in the chapter titled "*Auditor's Report and Financial Information of our Company"* of the Red Herring Prospectus. Our Promoters do not have any other interests in our Company as on the date of the Red Herring Prospectus.

Our Promoter, Dr. Kannan K. Vishwanath, is deemed to be interested to the extent of the un-secured loan extended by him to our Company. For further details, please refer to "*Annexure 17*" titled "*Details of Related Party Transactions*" and "*Annexure 09*" titled "*Statement of Unsecured Loans*" on page 221 and 211 in the chapter titled "*Auditor's Report and Financial Information of our Company*" of the Red Herring Prospectus.

Except as stated hereinabove and as stated in "*Details of Related Party Transactions*", "*Annexure 17*" beginning on page 221 under Chapter titled "*Auditors' Report and Financial Information of our Company*" beginning on page 192 of the Red Herring Prospectus and heading titled "*Other Agreements*" beginning on page 150 under Chapter titled "*History and Other Corporate Matters*", we have not entered into any contract, agreements or arrangements during the preceding two years from the date of the Red Herring Prospectus in which the Promoters are directly or indirectly interested and no payments have been made to them in respect of these contracts, agreements or arrangements which are proposed to be made to them.

Further, except as stated under paragraph titled "*Properties*" beginning on page 140 under Chapter titled "*Business Overview*" beginning on page 121 of the Red Herring Prospectus, our Promoters do not have any interest in any property acquired by our Company within two years of the date of the Red Herring Prospectus or currently proposed to be acquired by our Company.

Common Pursuits

The main object of our Promoter Aasda Life Care Limited is similar to our Company's main object. However, our Company pursuant to a non-compete agreement dated March 21, 2011 entered into with our Corporate Promoter, whereby our Corporate Promoter has agreed not to compete with our Company to extent of dealing in certain products for a period of three years within the territory of India.

Other Confirmations

We confirm that the Permanent Account Number, bank account number, company registration number and address of the Registrar of Companies where our Promoter Company is registered has been submitted to Stock Exchanges at the time of filing the Draft Red Herring Prospectus with the Stock Exchanges.

Further, our Promoters have not been declared as a wilful defaulter by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are pending against them.

Details of Companies / Firms from which our Promoters have disassociated

Except as stated herein our Promoter, Dr. Kannan K. Vishwanath has not disassociated himself from any of the companies/firms during preceding three years. Further there are no special terms for disassociation in any of the below mentioned companies.

Sr. No.	Name of the Company / Firms	Date of Disassociation	Reason
1.	Aanjaneya Remedies Private Limited	March 09, 2010	Disassociation
2.	Prophyla Biologicals (P) Limited	April 05, 2010	Disassociation
3.	Benzochem Lifesciences Private Limited	July 09, 2008	Disassociation

OUR PROMOTER GROUP

In terms of Regulation 2(1)(za) and 2(1)(zb) of the SEBI ICDR Regulations, the following persons form a part of our Promoter Group

Our Promoter Group consists of:

A. Individuals related to our Promoter:

Relationship with Promoters	Dr. Kannan K. Vishwanath
Father	Mr. Kashi Vishwanathan
Mother	Mrs. Lakshmi Vishwanathan
Spouse	Mrs. Divya Kannan Vishwanath
Brother	-
Sister	Ms. Sangeeta Vishwanath
Spouse's Father	Mr. Chidambaram Parameswar Perinkulam
Spouse's Mother	Mrs. Geetha Chidambaram
Spouse's Sister	-
Spouse's Brother	-

B. In the case of Dr. Kannan K. Vishwanath, our Individual Promoter:

Nature of Relationship	Entity
Any body corporate in which 10% or more of the equity share capital is held by the Promoter or an immediate relative of the promoter or a firm or Hindu Undivided Family in which the Promoter or any one or more of his immediate relative is a member	Aasda Life Care Limited
Any body corporate in which a body corporate as mentioned above holds 10% or more, of the equity share capital	Aanjaneya Lifecare Limited
Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than 10%	NIL

C. In the case of Aasda Life Care Limited, our Corporate Promoter:

Nature of Relationship	Entity
a subsidiary or holding company of such body corporate	Aanjaneya Lifecare Limited
any body corporate which holds ten per cent or more of the equity share capital of the promoter	Universal Medikit Private Limited*
other than a subsidiary, any body corporate in which ten per cent or more of the equity share capital is held by the Promoter	NIL
any body corporate in which a group of individuals or companies or combinations thereof which hold twenty per cent. or more of the equity share capital in that body corporate also holds twenty per cent. or more of the equity share capital of the Issuer	NIL

** Universal Medikit Private Limited holds more than 10% (12.18%) in our Promoter, Aasda Life Care Limited, a listed company, in the public category*

RELATED PARTY TRANSACTION

For details on related party transactions please refer to *"Annexure 17" – "Related Party Transactions"* on page 221 in the chapter titled "*Auditor's Report and Financial Information of our Company*" beginning on page 192 of the Red Herring Prospectus.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board of Directors and approved by our shareholders, in their discretion, and will depend on a number of factors, including but not limited to our earnings, capital requirements and overall financial position. Our Company has no stated dividend policy.

Our Company has not declared any dividend since incorporation.

SECTION V - FINANCIAL STATEMENTS

AUDITORS' REPORT AND FINANCIAL INFORMATION OF OUR COMPANY

The Board of Directors
Aanjaneya Lifecare Limited
Aanjaneya House,
Plot No. 34,
Postal Colony,
Chembur,
Mumbai - 400071

Reg: Initial Public Offer of Equity Shares by Aanjaneya Lifecare Limited

Dear Sirs,

A.

a) We have examined the annexed financial information of Aanjaneya Lifecare Limited (formerly known as Aanjaneya Biotech Limited and formerly known as Aanjaneya Biotech Private Limited) ('The Company') for ten months ended January 31, 2011, Financial Years ended March 31, 2010, March 31, 2009, March 31, 2008 and March 31, 2007.

b) In accordance with the requirements of

   i) Paragraph B (1) of Part II of Schedule II to the Companies Act, 1956 ('the Act');

   ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "SEBI (ICDR) Regulations, 2009") issued by Securities and Exchange Board of India ('SEBI') on August 26, 2009 and the amendments thereof and

   iii) Our terms of reference with the Company dated July 23, 2010 in connection with the Initial Public Offer of Equity Shares by the Company.

We report that the restated assets and liabilities of the Company as at January 31, 2011, March 31, 2010, March 31, 2009, March 31, 2008 and March 31, 2007 are as set out in **'Annexure 1'** to this report after making such adjustments/restatements and regrouping as in our opinion are appropriate and are subject to the Statement of Significant Accounting Policies as appearing in **'Annexure 3'** and Notes to the Statement of Assets & Liabilities and Profit & Loss Account appearing in **'Annexure 4'** to this report.

We report that the restated profits of the Company for ten months ended January 31, 2011, Financial Years ended March 31, 2010, March 31, 2009, March 31, 2008 and March 31, 2007 are as set out in **'Annexure 2'** to this report. These profits have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regrouping as in our opinion are appropriate and are subject to the Statement of Significant Accounting Policies as appearing in **'Annexure 3'** and Notes to the Statement of Assets & Liabilities and Profit & Loss Account appearing in **'Annexure 4'** to this report. The Company has not paid any dividend on equity shares in any of the years mentioned above and for the ten months ended January 31, 2011.

B. We have examined the following financial information relating to the Company proposed to be included in the Offer Document, as approved by the Board of Directors and annexed to this report.

i. Details of Changes in Significant Accounting Policies as given in **'Annexure 5'** to this report.

ii. Details of Qualifications appearing in the audit report as given in **'Annexure 6'** to this report.

iii. Statement of Cash Flow as appearing in **'Annexure 7'** to this report.

iv. Statement of Accounting Ratios as appearing in **'Annexure 8'** to this report.

v. Statement of Unsecured Loans taken including loan taken from related parties as appearing in **'Annexure 9'** to this report.

vi. Capitalisation Statement as appearing in **'Annexure 10'** to this report.

vii. Statement of Tax Shelter as appearing in **'Annexure 11'** to this report.

viii. Statement of Secured Loans as appearing in **'Annexure 12'** to this report.

ix. Statement of Investments as appearing in **'Annexure 13'** to this report.

x. Statement of Debtors including the related party debtors as appearing in **'Annexure 14'** to this report.

xi. Details of Loans and Advances as appearing in **'Annexure 15'** to this report.

xii. Statement of Other Income as appearing in **'Annexure 16'** to this report.

xiii. Details of transactions with the Related Parties as appearing in **'Annexure 17'** to this report.

xiv. Statement of Reserves and Surplus as appearing in **'Annexure 18'** to this report.

xv. Statement of Contingent Liabilities as appearing in **'Annexure 19'** to this report.

C.

a) In our opinion the financial information of the Company as stated in Para A and B above read with the Statement of Significant Accounting Policies appearing in **'Annexure 3'** to this report and as stated in Notes to the Statements of Assets & Liabilities and Profit & Loss Account appearing in **'Annexure 4'** of this report, has been prepared in accordance with Part II of Schedule II of the Act and we have complied with the Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009.

In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts of the Aanjaneya Lifecare Limited, we hereby confirm that Statements of Assets and Liabilities and Profit and Loss or any other financial information have been incorporated in the offer document after making the following adjustments, wherever quantification is possible:

1. There are no incorrect accounting practices or failures to make provisions or other adjustments that result in any audit qualification.

2. Material amounts relating to adjustments for previous years viz. preliminary expenses, prior period adjustments and provision for gratuity have been identified and adjusted in arriving at the profits of the years to which they relate irrespective of the year in which the event triggering the profit or loss occurred.

(₹ Lacs)

Sr. No.	Particulars	As at March 31,				As at January 31,
		2007	2008	2009	2010	2011
1	Regrouping of Expenses	-	-	-	-	-
2	Preliminary Expenses	(3.19)	3.19	-	-	-
3	(i) Prior Period Items	-	(3.10)	3.10	-	-
	(ii) Prior Period Items	-	-	(2.60)	2.60	-

	(iii) Prior Period Items	-	-		(0.12)	0.12
4	Provision for Gratuity	-	-	(3.62)	(2.33)	5.95
	Net Impact of Material Adjustments	(3.19)	0.09	(3.12)	0.15	6.07

Note: The above adjustments are also mentioned in Annexure 2 to this report under the heading "Impact of Material Adjustments for Restatement".

3. There has been no change in accounting policy in the company since inception and consequently there is no need for re-computation of the profits or losses of the earlier years.

4. No incorrect accounting policy has been followed while preparing the financial statements of the company since inception.

5. There are no extraordinary items and hence the profit or loss have been treated the same.

b) This report is intended solely for your information and for inclusion in the Offer Document in connection with the specific Initial Public Offer of Equity Shares of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **SUNIL MISTRY & CO.**
Chartered Accountants

SUNIL P. MISTRY
Proprietor

Membership No.: 113813
Firm Registration No.: 123435W
Date: April 07, 2011

Annexure 1

STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(₹ in Lacs)

Sr. No.	Particulars	As at March 31,				As at January 31,
		2007	2008	2009	2010	2011
A.	**Fixed Assets**					
	Gross block	-	1,097.10	1,394.86	4,854.96	6,978.74
	Less: Depreciation	-	22.70	74.41	162.28	368.67
	Net Block	-	1,074.40	1,320.45	4,692.68	6,610.07
	Capital Work -in-Progress	67.07	-	-	420.25	3,718.29
	Total Fixed Assets (A)	**67.07**	**1,074.40**	**1,320.45**	**5,112.93**	**10,328.36**
B.	**Investments (B)**	**0.03**	**5.00**	**5.00**	**5.02**	**5.02**
C.	**Current assets, loans and advances:**					
	Inventories	-	279.28	1,533.81	3,604.28	7,400.81
	Receivables	-	1,230.50	3,092.37	4,329.86	10,899.95
	Cash and bank balances	1.30	7.96	72.55	75.29	376.20
	Loans and advances	3.46	162.72	45.85	348.87	337.52
	Total (C)	**4.76**	**1,680.46**	**4,744.58**	**8,358.30**	**19,014.48**
	Total Assets (A + B + C)	**71.86**	**2,759.86**	**6,070.03**	**13,476.25**	**29,347.86**
D.	**Liabilities and provisions**					
	Secured loans	-	1,170.09	3,141.22	4,959.42	11,175.10
	Unsecured loans	54.29	73.94	621.51	1,009.89	663.37
	Deferred Tax Liability	-	75.17	101.17	235.02	438.78
	Current liabilities	19.76	945.14	724.08	1,643.39	2,068.48
	Provisions for Taxes	-	63.71	244.51	651.23	2,049.49
	Provision for Gratuity	-	-	3.62	5.95	10.18
	Other Provisions	-	3.10	2.60	0.12	-
	Total Liabilities (D)	**74.05**	**2,331.15**	**4,838.71**	**8,505.02**	**16,405.40**
E.	**Net worth (A+B+C-D)**	**(2.19)**	**428.71**	**1,231.34**	**4,971.27**	**12,942.46**
F.	**Represented by**					
	Share capital					
	-Equity Share Capital	1.00	200.00	495.00	577.67	757.67
	Total(A)	**1.00**	**200.00**	**495.00**	**577.67**	**757.67**
	Reserves and surplus	(3.19)	228.71	736.34	4,393.60	12,184.79
	Total(B)	**(3.19)**	**228.71**	**736.34**	**4,393.60**	**12,184.79**
	Less: Miscellaneous Expenditure to the extent not written off	-	-	-	-	-
	Total(C)	-	-	-	-	-
	Net Worth (A+B-C)	**(2.19)**	**428.71**	**1,231.34**	**4,971.27**	**12,942.46**

Annexure 2

STATEMENT OF PROFIT AND LOSS, AS RESTATED

(₹ in Lacs)

Sr. No.	Particulars	For the year ended March 31				For ten months ended
		2007	2008	2009	2010	January 31, 2011
A	**Income**					
	Sales of Products Manufactured by the Company	-	2,187.87	9,010.28	16,008.57	27,986.29
	Sales of Products Traded by the Company	-	-	3.10	158.58	15.53
	Net Sales	-	2,187.87	9,013.38	16,167.15	28,001.82
	Other Income	-	0.10	1.36	52.63	17.09
	Increase/(Decrease) in Inventories	-	50.46	100.85	715.88	1,238.70
	Total (A)	**-**	**2,238.43**	**9,115.59**	**16,935.66**	**29,257.61**
B	**Expenditure**					
	Materials consumed	-	1,658.23	7,462.90	13,017.92	21,822.92
	Wages and Staff Costs	-	11.79	156.59	233.87	377.22
	Other manufacturing expenses	-	41.37	215.72	399.28	453.59
	Administrative, selling and distribution expenses	-	20.58	189.47	304.95	605.63
	Total (B)	**-**	**1,731.97**	**8,024.68**	**13,956.02**	**23,259.36**
C	**Profit Before Interest, Depreciation and Tax**	**-**	**506.46**	**1,090.91**	**2,979.64**	**5,998.25**
	Depreciation	-	22.70	51.71	87.88	206.39
D	**Profit Before Interest and Tax**	**-**	**483.76**	**1,039.20**	**2,891.76**	**5,791.86**
	Financial Charges	-	78.12	257.88	603.65	1,078.64
E	**Profit after Interest and Before Tax**	**-**	**405.64**	**781.32**	**2,288.11**	**4,713.22**
	Preliminary Expenses & Def. Exp. W/o	-	34.95	-	-	-
F	**Profit before Taxation**	**-**	**370.69**	**781.32**	**2,288.11**	**4,713.22**
	Provision for Taxation	-	62.71	239.57	643.88	1,398.27
	Provision for Deferred Tax	-	75.17	26.00	133.85	203.76
	Provision for FBT	-	1.00	1.90	-	-
	Add/Less Adjustments of Prior Year	-	-	3.10	2.60	6.07
	Total	**-**	**138.88**	**270.57**	**780.33**	**1,608.10**
G	**Profit After Tax but Before Extra ordinary Items**	**-**	**231.81**	**510.75**	**1,507.78**	**3,105.12**
	Extraordinary items	-	-	-	-	-
	Impact of Material adjustments for restatement in corresponding years	(3.19)	0.09	(3.12)	0.15	6.07
H	**Net Profit after adjustments**	**(3.19)**	**231.90**	**507.63**	**1,507.93**	**3,111.19**
I	**Net Profit Transferred to Balance Sheet**	**(3.19)**	**228.71**	**736.34**	**2,244.27**	**5,355.46**

(₹ in Lacs)

Sr. No.	Impact of Material Adjustments for restatement in corresponding years	March 31, 2007	March 31, 2008	March 31, 2009	March 31, 2010	For ten months ended January 31, 2011
1.	Regrouping of Expenses	**-**	**-**	**-**	**-**	**-**
2.	Preliminary Expenses	(3.19)	3.19	-	-	-
3.	(i) Prior Period Items	-	(3.10)	3.10	-	-
	(ii) Prior Period Items	-	-	(2.60)	2.60	-

	(iii) Prior Period Items	-	-	-	(0.12)	0.12
4.	Provision for Gratuity	-	-	(3.62)	(2.33)	5.95
	Net Impact of Material Adjustments	**(3.19)**	**0.09**	**(3.12)**	**0.15**	**6.07**

1. Material regrouping of expenses in the restated Profit and Loss Account

For the year ended March 31, 2009, an amount of ₹ 1.45 Lacs is reduced from 'Finance Charges' and added to 'Administrative, selling and distribution expenses'. The said amount refers to bank charges / interest on exports which is a part of 'Selling Expenses' but was shown under 'Finance Charges' in the Financial Statement for the year ended March 31, 2009.

However, since the above adjustment was for the purpose of regrouping the accounts there is no change in the profits and losses consequent to the regrouping for the year ended March 31, 2009.

2. Preliminary Expenses

These represent expenses incurred by the company before it started commercial operation. The amounts have been written off in the Profit & Loss Account in the financial year 2007 - 2008. The same have been now adjusted to the year to which they pertain i.e. ₹ 3.19 lacs was adjusted from Profits and Losses of financial year 2006 – 2007 and 2007 – 2008.

For the purpose of adjusted accounts and in terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and other provisions, the profits and losses consequent to the adjustments for preliminary expenses for the years ended March 31, 2007 and March 31, 2008 reflect what the profits/losses of those years would have been.

3. Expenses relating to earlier years (Prior Period Item)

These represent adjustments in respect of expenses which arise or are incurred in a particular year and have been recorded or booked in the next financial year. The same have been adjusted to the year to which they pertain.

For the purpose of adjusted accounts and in terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and other provisions, the profits and losses consequent to the adjustments of prior period expenses for the years ended March 31, 2008, March 31, 2009, March 31, 2010 and ten months ended January 31, 2011 reflect what the profits/losses of those years would have been.

4. Provision for Gratuity

The provision for gratuity has been actuarially determined and provided for in the books for ten months ended January 31, 2011. However, the company has only completed 3 years and 4 months of commercial operation and the Gratuity will be liable to be paid only after completion of 5 years under the payment of Gratuity Act. The provision for Leave encashment has to be actuarially determined.

For the purpose of adjusted accounts and in terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and other provisions, the profits and losses consequent to the adoption of AS 15 (Revised 2005) has been adjusted for the years ended March 31, 2009, March 31, 2010 to reflect what the profits/losses of those years would have been if the uniform policy of providing Gratuity was followed in each of the above years.

Annexure 3

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a **Basis of Accounting:**

The Financial Statements of the Company are prepared under historical cost convention and on accrual basis and in accordance with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act 1956. Accounting policies, not specifically referred to hereunder is otherwise consistent with generally accepted accounting polices ["GAAP"].

b **Fixed Assets:**

Fixed Assets are stated at cost of acquisition inclusive of non refundable duties and taxes, freight and incidental expenses, if any. Advances paid towards acquisition / construction of fixed assets outstanding at each balance sheet date and cost of fixed assets not ready for their intended use before such date are disclosed under capital work in progress.

c **Depreciation:**

Depreciation on Fixed Assets is provided on S.L.M. method at the rates specified in schedule XIV of the Companies Act, 1956. Depreciation on additions made to fixed assets during the year is provided on pro-rata basis.

d **Valuation of Inventories:**

i. Raw Materials are valued at cost or net, realizable value whichever is lower. Cost is determined by using the First In First out (FIFO) method.

ii. Semi Finished Goods (Work in progress) are valued at cost.

iii. Finished Goods:

Manufactured goods are valued at cost or net realisable value whichever is lower. Cost is determined by using the First In First out (FIFO) method. Cost includes cost of raw materials used and all the related overhead expenses.

Traded Goods are valued at cost or net realisable value whichever is lower. Cost is determined by using the First In First Out (FIFO) method.

e **Revenue Recognition**

The Company follows the mercantile system of accounting and hence Revenue is recognized by the company on accrual basis.

f **Pre-Operative Expenditure**

Pre-Operative expenses of the Company have been fully written off in the year of commencement of commercial operations. The Company was incorporated on January 3, 2006 and commenced Commercial operations on September 25, 2007.

g **Accounting for Foreign Exchange Transaction**

In accordance with *Accounting Standard – 11 "The effects of changes in Foreign Exchange"* rates issued by the Institute of Chartered Accountants of India (ICAI) the transaction in foreign exchange are accounted for at the exchange rates prevailing at the date of the transaction. In respect of the Assets and Liabilities remaining unsettled at the Balance sheet date are translated at the closing rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date are recognized as income or expense in the period in which they arise.

h **Taxation**

Tax expenses is the aggregate of current tax and deferred tax charged, as the case may be to the Profit and Loss Account for the year in accordance with Accounting Standard – 22 "Accounting for Taxes on Income" issued by ICAI and measured at the tax rate that have been enacted or substantively enacted by the Balance Sheet date.

I. Current Tax

Tax on income for the current period is determined on the basis of assessable income computed in accordance with the provisions of the Income Tax Act, 1961.

II. Deferred Tax

Deferred income taxes are recognized for the future tax consequences attributable to timing difference between the financial statements and determination of income for their recognition for tax purposes. The effect on deferred tax liabilities of a charge in tax rates is recognized in income using the rates and tax laws that have been enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognized and carried forward to the extent there is reasonable certainty that sufficient future taxable income will be available against which deferred tax assets can be realized.

i **Contingent Liability**

Contingent liabilities, if any, are disclosed in the Notes to Accounts. Provisions have been made in the accounts in respect of those contingencies which are likely to materialize into liabilities after the year end till the finalization of accounts and have a material effect on the position stated in the Balance Sheet.

j **Borrowing Cost**

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till such time as the asset is ready for its intended use. All other borrowing costs are expensed in the period in which they are incurred.

Annexure 4

NOTES TO STATEMENT OF ASSETS & LIABILITIES AND PROFIT & LOSS ACCOUNT

1 **Fixed assets / Capital Work- in- progress**

The installed capacity of the Company for API's increased from 360 MT to 450 MT.

The installed capacity for API's over the years is given hereunder:

Year ended	Capacity
January 31, 2011 (Ten months ended)	450 MT
March 31, 2010	450 MT
March 31, 2009	360 MT
March 31, 2008	200 MT

Note: For API's, the reactors installed are to be of larger capacity so as to accommodate herbal based raw material inputs whose yield can vary from crop to crop. The reactors are also multipurpose in nature. Hence there is no direct correlation between installed capacity and actual production.

The installed capacity for Formulation is given hereunder: Business commenced from April 2010.

Particulars	Unit	For ten months ended January 31, 2011
Lozenges	No in Lacs	15,600
Liquid/Syrup	Litres in thousand	11,600
Oinment or Gels	Kgs	6,150

The company is undertaking capital expenditure program for manufacture of third generation Anti-Malarials, Niche APIs and Formulation. The Capital WIP on this account stands at ₹ 3,718.29 Lacs as on January 31, 2011.

Additions to assets include purchase of fixed assets from Prophyla Biologicals Private Limited during the last fiscal ended March 31, 2010 for ₹ 2,742.20 Lacs (net of VAT ₹ 153.62 Lacs) totalling to ₹ 2,895.82 Lacs. The company had made a part payment of ₹ 992.06 Lacs during the year ended March 31, 2010. The balance payment of ₹ 1,903.76 Lacs has been made to the vendor as on the date of this report.

2 **Investments**

Long Term Investments are stated at cost less provision, if any, for diminution which is other than temporary in nature. Current investments are valued at lower of cost and net realizable value.

Holding Company

The Company is a subsidiary of Aasda Life Care Limited (Formerly Finaventure Capital Limited) since the Quarter ended December 2009 pursuant to change in shareholding. The shareholders of Aanjaneya Lifecare Limited (then Aanjaneya Biotech Private Limited) were issued 70,00,000 Equity Shares on preferential basis at a price of ₹ 40 per Equity Share by Aasda Life Care Limited in exchange of their entire holding in Aanjaneya Lifecare Limited. The promoter of Aanjaneya, Mr. Kannan K. Vishwanath is also promoter of Aasda Life Care Limited (Formerly known as Finaventure Capital Limited) during the Quarter ended December 2009 by virtue of successfully completing compliance under SEBI (Substantial acquisitions and takeover Regulations) 1997 and subsequent amendments thereto, during the Quarter ended December 2009.

3 **Research & Development**

The costs are expensed when incurred. Capital expenditure when incurred for acquisition or construction of equipment and facilities for R&D and having alternate future uses will be capitalized under Plants and Machinery.

4 **Share Capital**

The increase in the 'Authorised Share Capital' and 'Issued, Subscribed & Paid up Capital' of the Company is as under:

(₹ Lacs)

Particulars	For the year ended March 31 2007	2008	2009	2010	As at January 31, 2011
Authorised Share Capital	200.00	600.00	600.00	2,000.00	3,000.00
Issued, Subscribed & Paid up Share Capital	1.00	200.00	495.00	577.67	757.67
Share Premium	-	-	-	2,149.33	6,829.33

5 No commission on profits is paid at any time during the ten months to any of the directors of the Company.

6 Derivative Instruments: The Company had entered into a forward contract being derivative instruments which are not intended for trading or speculative purposes but for hedging, to establish the amount of reporting currency required at the settlement date of foreign currency demand loan (FCDL) on cash credit from Axis bank for the financial year ended March 31, 2010.
This contract is settled and there are no outstanding forward contracts as at January 31, 2011.

The forward contracts outstanding and forward contracts entered into by the company over the years:

(₹ Lacs)

Particulars	For the year ended March 31, 2007	2008	2009	2010	For ten months ended January 31, 2011
Forward Contracts					-
USD	-	-	-	32.26	-
INR	-	-	-	1,499.85	-

The Company has not entered into any Forex Derivative Contracts during the ten months ended January 31, 2011.

The period end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

a) Amount receivable in foreign currency on account of export of goods- USD 1.12 Lacs ₹ 51.16 Lacs (Previous Year USD 3.12 Lacs ₹ 140.89 Lacs) & GBP 0.10 Lacs ₹ 7.21 Lacs (Previous Year GBP.-Nil)
b) Amount paid in foreign currency on account of import of goods-USD 0.33 Lacs ₹ 15.04 Lacs (Previous Year - Nil)
c) Amount payable in foreign currency on account of import of goods- USD - Nil (Previous Year USD 5.43 Lacs ₹ 244.96 Lacs)

7 **Auditor's Remuneration**

The Auditors Remuneration is as given below:

(₹ Lacs)

Particulars	For the year ended March 31 2007	2008	2009	2010	For ten months ended January 31, 2011

Particulars	For the year ended March 31				For ten months ended
	2007	2008	2009	2010	January 31, 2011
Audit Fees – Co's Act & Income Tax Act.	0.18	0.40	0.60	0.70	-
VAT Audit	-	-	0.30	0.40	-

No Provision for Audit fees have been made for the ten months ended January 31, 2011.

8 **Cenvat**

No cenvat credit is availed in respect of finished goods manufactured and sold by the company which are exempt or free of Central Excise. Consequently duty paid on these inputs is expensed during the year. Where finished goods manufactured and sold by the company are excisable, cenvat credit is availed on inputs used in the manufacture of such excisable goods.

9 **Employee Benefits**

Defined Contribution Plan

The company has made payments to the Government Provident Fund amounting to ₹ 8.48 Lacs and the same is expensed during the ten months ended as at January 31, 2011.

Defined Benefit Plan

The provision for gratuity has been actuarially determined and provided for in the books for the ten months ended January 31, 2011. However, the company has only completed 3 years and 4 months of commercial operation and the Gratuity will be liable to be paid only after 5 years under the payment of Gratuity Act. The provision for Leave encashment has to be actuarially determined.

For the purpose of adjusted accounts and in terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and other provisions, the profits and losses consequent to the adoption of AS 15 (Revised 2005) has been adjusted for the years ended March 31, 2009, March 31, 2010 and ten months ended January 31, 2011 to reflect what the profits/losses of those years would have been if the uniform policy of providing Gratuity was followed in each of the above years. The provision relates to accrued gratuity liability upto January 31, 2011.

10 **C.I.F. Value of Imports**

(₹ Lacs)

Particulars	For the year ended March 31				For ten months ended
	2007	2008	2009	2010	January 31, 2011
Raw Materials	-	-	839.00	966.41	822.80
Capital Goods	-	-	9.30	21.11	49.02

11 **Expenditure in Foreign Currency**

(₹ Lacs)

Particulars	For the year ended March 31				For ten months ended
	2007	2008	2009	2010	January 31, 2011
Travel	-	-	8.22	19.77	6.60
Exhibition	-	-	15.79	6.47	45.81
Product Development	-	-	-	-	1.82
Research and Development	-	-	-	-	4.39
Licence/Registration Fees	-	-	-	-	2.55
Lodging & Boarding	-	-	-	-	8.83

12 **Earnings in Foreign exchange**

(₹ Lacs)

Particulars	For the year ended March 31 2007	2008	2009	2010	For ten months ended January 31, 2011
FOB Value of goods exported	-	-	77.14	908.01	924.00

13 **Segment Information:**

The company has only one reportable segment and that is the business segment and there are no geographical segments. Segment information disclosure is made in accordance with Accounting standard (AS)-17 "Segment Reporting" issued by ICAI. It is identified based on products, organization structure, risk return profile and the reporting systems of the company. The business segment is organized into API manufacturing and Formulation manufacturing. Formulation manufacturing business has commenced only from April 01, 2010 and onwards. Hence this is the first reporting period for segment information.

Information about Business Segments:

Sr. No.	Particulars	Business Segments API	Formulation	Unallocable	Total
		₹ Lacs	**₹ Lacs**	**₹ Lacs**	**₹ Lacs**
A	**Revenue :**				
	Total External Sales	16,759.55	11,226.74	15.53	28,001.82
	Inter Segment Sales	-	-	-	-
	Total Revenue	**16,759.55**	**11,226.74**	**15.53**	**28,001.82**
B	**Segment result before interest, exceptional items and tax**	3,276.89	2,528.40	2.22	5,807.50
	Less : - Interest Expenses				1,078.64
	Less :- Exceptional Expenses				38.81
	Add :- Exceptional Income				17.09
	Unallocable Corporates items				-
	Profit before Taxes				**4,707.15**
	Taxes :-				
	Less :-Income Tax				1,398.27
	Less:-Deferred Tax				203.76
	Profit after Taxes				**3,105.12**
C	**Segment Assets**	17,636.57	10,986.26	725.03	**29,347.86**
D	**Segment Liabilities**	1,287.55	776.07	14,341.78	**16,405.40**
E	**Capital Expenditure**	2,867.34	2,554.48	-	**5,421.82**
F	**Segment Depreciation**	113.24	93.15	-	**206.39**
G	**Non - Cash Expenses other than depreciation**	NIL	NIL	NIL	**NIL**

14 **Micro Small & Medium Enterprises Development Act 2006. {MSMED Act 2006}**

For the year ended March 2007

The company does not come in the purview of MSMED Act 2006 as the Company is still under Construction.

For the year ended March 2008

The company is a medium sized enterprise within the meaning of MSMED Act 2006 as the investment in Plant & Machinery is greater than 5 crores but less than 10 crores.

For the year ended March 2009

The company is a medium sized enterprise within the meaning of MSMED Act 2006 as the investment in Plant & Machinery is greater than 5 crores but less than 10 crores.

For the year ended March 2010

The company is outside the purview of MSMED Act 2006 as the investment in Plant & Machinery is greater than 10 crores as at the end of the reporting period.

For the ten months ended January 31, 2011

The company is outside the purview of MSMED Act 2006 as the investment in Plant & Machinery is greater than 10 crores as at the end of the reporting period.

15 **Disclosure related to SSI / SME**

There are no Small Scale Industrial (SSI) undertakings whose balances are outstanding for more than 30 days.

16 **Contingent Liabilities**

There are no contingent liabilities.

17 **Debtors outstanding for more than 6 months for the years are tabulated below:**

(₹ Lacs)

Particulars	For the year ended March 31				As at
	2007	2008	2009	2010	January 31, 2011
Debtors outstanding for more than six months	-	113.00	139.93	567.90	782.11
Others	-	1,117.50	2952.45	3,761.96	10,117.84

18 **Secured Loans**

The Company had entered into an agreement for fund based facility comprising Cash credit and Term loan from a consortium of bankers led by State Bank of India (SBI) Commercial Branch, Fort, Mumbai 400001. The lead Bank, SBI, has issued their sanction letter dated July 24, 2010. The Shamrao Vithal Co-operative Bank Ltd (SVC Bank) as the consortium member has issued sanction letter dated April 07, 2010. Corporation bank has issued their sanction letter dated September 07, 2010 while IDBI Bank Limited has issued sanction letter dated August 31, 2010. The sanctions of the banks are given below.

(₹ Lacs)

Particulars	State Bank of India	The Shamrao Vithal Co-operative Bank	Corporation Bank	IDBI Bank Ltd.	Total
Cash Credit	4,000	1,100*	1,200	700	7,000
Term Loan	1,423	484	800	1,800	4,507
Total	**5,423**	**1,584**	**2,000**	**2,500**	**11,507**

* This amount excludes Ad-hoc sanction of ₹ 150 lacs which has since been repaid.

Out the above Term Loans of ₹ 1,423 lacs pertaining to SBI, an amount of ₹ 473 lacs is towards the takeover of Term Loan from Axis Bank by SBI.

Axis Bank has issued a No Dues Certificate to the Company on August 11, 2010 after the said takeover by SBI.

The term loan funds were released by IDBI Bank Ltd from October 2010 while the cash credit was released from November 2010.

19 **Events occurring after the Balance Sheet date**

Secured Loans:

The company has also obtained sanction from Allahabad Bank, Industrial finance Branch, Fort, Mumbai – 400023 in respect of cash credit facilities of ₹ 1000.00 Lacs in the month of March 2011.

20 **Quantitative details of major items as required by Clause 3(i), 3(ii), 4, 4-A to 4-D of Part – II of Schedule VI to the Companies Act, 1956 to the extent applicable, as certified by the directors are as under :-**

Particulars	2007-08		2008-09		2009-10		For ten months ended January 31, 2011	
	Qty. (Kg. Lacs)	Amount (₹ Lacs)	Qty. (Kg. Lacs)	Amount (₹ Lacs)	Qty. (Kg. Lacs)	Amount (₹ Lacs)	Qty. (Kg. Lacs)	Amount (₹ Lacs)
Manufacturing sales								
Bulk Drug	0.45	2,187.87	1.63	9,010.28	2.73	16,008.57	2.82	16,759.55
Trading sales	-	-	0.0007	3.10	0.56	158.58	-	15.53
Formulation sales	-	-	-	-	-	-	-	11,226.74
Total Gross Sales		2,187.87		9,013.38		16,167.15		28,001.82
Closing stock of Finished Goods								
Bulk Drugs (Mfg)	0.008	28.79	0.021	88.88	0.03	153.26	0.13	590.23
Trading items	-	-	0.006	7.11	0.07	16.14		0.25
Formulation	-	-	-	-	-	-	-	393.48
Semi Finished Goods		21.67		55.32		697.79		1,121.93
RM - Bulk Drugs		228.76		1,382.33		2,734.10	-	4,223.95
RM - Formulation	-	-	-	-	-	-	-	1,065.97
Packing Materials – Bulk Drugs		0.07		0.17		2.99		3.00
Packing Materials – Formulation	-	-	-	-	-	-	-	2.00
Total Closing Inventory		279.28		1,533.81		3,604.28		7,400.81
Consumption of Materials –Mfg								
Indigenous	100%	1,658.23	89%	6,633.81	90%	11,595.49	96%	20,881.01
Imported	-	-	11%	819.91	10%	1,288.39	4%	884.52
Raw Materials consumed in Mfg	100%	1,658.23	100%	7,453.72	100%	12,883.88	100 %	21,765.53
Purchases- Trading	-	-	0.007	9.18	0.55	134.04		57.39
Total Consumption of Materials		**1,658.23**		**7,462.90**		**13,017.92**		**21,822.92**

Installed Capacity & Actual Production of Bulk Drugs:

Particulars	Unit [figures in ('000)]	2006 – 07	2007 - 08	2008 – 09	2009 - 10	Ten months ended January 31, 2011
		Bulk Drugs	Bulk Drugs	Bulk Drugs	Bulk Drugs	Bulk Drugs
Installed capacity	Kg (MT)	-	200	360	450	450
Actual Production	Kg (MT)	-	46	165	274	291

Note: For API's, the reactors installed are to be of larger capacity so as to accommodate herbal based raw material inputs whose yield can vary from crop to crop. The reactors are also multipurpose in nature. Hence there is no direct correlation between installed capacity and actual production.

Installed Capacity & Actual Production of Formulation:

For ten months ended January 31, 2011

Particulars	Unit	Actual Production	Installed Capacity
Lozenges	No. in Lacs	4,304.67	15,600
Liquid / Syrup	Ltrs. In thousand	3,094.84	11,600
Ointment & Gels	Kgs.	1,855.15	6,150

Note: The Formulation business commenced only from April 1, 2010.

Annexure 5

CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

There is no change in the Accounting Policies of the Company in any of the Financial Years.

Annexure 6

QUALIFICATIONS IN THE AUDITORS REPORT

There is no qualification in the Auditors Report in any of the Financial Years.

Annexure 7

CASH FLOW STATEMENT, AS RESTATED

(₹ in Lacs)

Sr. No.	Particulars	For the year ended March 31,				For ten months ended January 31,
		2007	2008	2009	2010	2011
A	**Cash Flow from Operating Activities**					
	Profit before tax, as restated	**-**	**370.69**	**781.32**	**2,288.11**	**4,713.22**
	Adjustments for					
	Depreciation	-	22.70	51.71	87.88	206.39
	Miscellaneous expenditure written off	-	34.95	-	-	-
	Prior Period expenses	-	-	(3.10)	(2.60)	(6.07)
	Financial Exp.	-	78.12	257.88	603.65	1,078.64
	Operating Income before working capital changes	**-**	**506.46**	**1,087.81**	**2,977.04**	**5,992.18**
	Adjustments for:					
	Decrease/(Increase) in Trade & Other Receivables	-	(1,230.50)	(1,861.88)	(1,237.49)	(6,570.09)
	Decrease/(Increase) in Inventories	-	(279.28)	(1,254.54)	(2,070.47)	(3,796.52)
	Decrease/(Increase) in Loans & Advances	(3.46)	(159.26)	116.87	(303.02)	11.36
	Decrease/(Increase) in Misc. Exp not w/off	(3.19)	3.19	-	-	-
	Increase/(decrease) in Trade Payables	19.76	925.38	(221.06)	919.31	435.29
	Cash Generated from Operations	**13.11**	**(234.01)**	**(2,132.80)**	**285.36**	(3,927.78)
	Direct Taxes (Net)	-	-	(60.67)	(237.16)	-
	Net Cash Flow from Operating Activities	**13.11**	**(234.01)**	**(2,193.47)**	**48.20**	**(3,927.78)**
B	**Cash Flow from Investing Activities**					
	Purchase of Fixed Assets & CWIP	(67.07)	(1,030.03)	(297.76)	(3,880.35)	(5,421.82)
	Investments Made	(0.03)	(4.97)	-	(0.02)	-
	Miscellaneous Expenditure	**-**	**(34.95)**	**-**	**-**	-
	Net Cash used from Investing Activities	**(67.10)**	**(1,069.95)**	**(297.76)**	**(3,880.37)**	**(5,421.82)**
C	**Cash Flow from Financing Activities**					
	- Share Capital	1.00	199.00	295.00	82.67	180.00
	- Share Premium	-	-	-	2,149.33	4,680.00
	Change in the Borrowings					
	- Loans Receipt (Net)	54.29	1,189.73	2,518.71	2206.58	5,869.15
	- Interest Paid	-	(78.12)	(257.88)	(603.65)	(1,078.64)
	Net Cash Flow from Financing Activities	**55.29**	**1,310.61**	**2,555.83**	**3,834.93**	**9,650.51**
	Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	**1.30**	**6.65**	**64.59**	**2.74**	**300.91**
	Cash & Cash Equivalents at Beginning of the Year	**-**	**1.30**	**7.96**	**72.55**	**75.29**
	Cash & Cash Equivalents at End of the Year	**1.30**	**7.96**	**72.55**	**75.29**	**376.20**

Annexure 8

STATEMENT OF ACCOUNTING RATIOS

Particulars	As at March 31,				As at January 31,
	2007	2008	2009	2010	2011
Net Profit as restated (₹ Lacs)	(3.19)	231.90	507.63	1,507.93	3,111.19
Net Worth (₹ Lacs)	(2.19)	428.71	1,231.34	4,971.27	12,942.46
Return on Net worth (%)	-	54.09	41.23	30.33	24.04
Share at the end of year (Face Value ₹ 10)	10,000	20,00,000	49,50,000	57,76,667	75,76,667
Weighted No of Equity Shares	10,000	1,78,552	29,53,699	49,70,384	68,00,196
Basic Earnings per Share	**-**	**129.88**	**17.19**	**30.34**	**45.75**
Net Asset Value/Book Value per share (Based on no of share at the end of the year)	**-**	**21.44**	**24.88**	**86.06**	**170.82**

Notes:
1. Net Worth = Equity Share Capital plus Reserves & Surplus less Miscellaneous Expenditure to the extent not written off.
2. Net Asset = Equity Share Capital plus Reserves & Surplus less Miscellaneous Expenditure to the extent not written off
3. Earnings Per Share = Net Profit as restated / Weighted No. of Equity Shares outstanding during of the year.
4. The Company has not issued Bonus shares since inception.

Annexure 9

STATEMENT OF UNSECURED LOANS

(₹ Lacs)

Particulars	As at March 31,				As at January 31,
	2007	2008	2009	2010	2011
From Directors/Shareholders	1.80	1.21	121.51	209.89	652.22
From Others	52.49	72.73	500.00	800.00	11.15**
Total	**54.29**	**73.94**	**621.51**	**1009.89**	**663.37**
a) Above amount includes transactions with following related parties:					
Kannan Vishwanath	1.80	1.21	48.26	130.64	402.12
Kashi Vishwanathan	-	-	62.10	55.10	250.10
Benzochem Lifesciences Pvt. Ltd.	8.49	-	-	-	-
Aasda Life Care Limited	-	-	-	13.00	-
Sub Total (a)	**10.29**	**1.21**	**110.36**	**198.74**	**652.22**
b) Above amount includes unsecured loans taken from the following Share Holders:					
Finaventure Advisory Services (India) Private Limited**	-	28.40	11.15	11.15	-
Sub Total (b)	**-**	**28.40**	**11.15**	**11.15**	**-**
Total (a+b)	**10.29**	**29.61**	**121.51**	**209.89**	**652.22**

**Benzochem Lifesciences Private Limited has been disassociated from May 31, 2008*
*** Currently Finaventure Advisory Services (India) Private Limited is not a shareholder of the company and hence the amount of ₹ 11.15 Lacs has been taken under the head "Unsecured loans from Others"*

Notes:
No interest is payable / paid on the Loans mentioned above. Unsecured Loans are repayable on demand and consequently there is no repayment schedule.

Annexure 10

CAPITALIZATION STATEMENT

(₹ Lacs)

Particulars	As at January 31, 2011	Post Issue
Debt :		
Secured		
Short term debt	7,026.89	[●]
Long term debt	4,148.21	[●]
Unsecured		
Short term debt	663.37	[●]
Total Debt	**11,838.47**	
Shareholder's Funds		
Equity Share Capital	757.67	[●]
Reserves and Surplus	12,184.79	[●]
Total Shareholder's Funds	**12,942.46**	
Long Term Debt/ Shareholders' Funds	0.32	[●]
Total Debt / Shareholders Fund	0.91	[●]

Notes:

- Working Capital Limits are considered as short- term debts
- The Post-issue debt–equity ratio will be computed on the conclusion of the book building process
- The figures included above are as per the restated statement of assets and liabilities and restated statement of profit and loss

Annexure 11

STATEMENT OF TAX SHELTERS

(₹ Lacs)

Particulars	**As at March 31,**				**As at January 31,**
	2007	**2008**	**2009**	**2010**	**2011**
Profit Before Tax	**-**	**370.69**	**781.33**	**2,288.11**	**4,713.22**
Tax rate					
Normal Tax rate	33.66	33.99	33.99	33.99	33.2175
Minimum Alternative Tax rate	11.22	11.33	11.33	11.33	19.9305
Notional Tax at normal rates (A)	-	137.88	265.57	777.73	1,565.61
Permanent differences					
Disallowances	-	0.50	0.18	2.60	6.07
Total (B)	-	(0.50)	(0.18)	(2.60)	(6.07)
Timing Differences					
Depreciation as per Books	-	22.70	51.70	87.88	206.39
Depreciation as per Income Tax	-	243.85	128.82	481.65	805.85
Difference between tax depreciation and book depreciation	-	221.15	77.12	393.77	599.46
Other adjustments	-	6.99	6.99	6.99	6.99
Total (C)	-	228.14	84.11	400.76	606.45
Net Adjustments (B+C)	-	227.64	83.93	398.16	600.38
Tax expense/(savings) thereon (D)	-	(77.37)	(28.52)	(135.33)	(199.43)
Total Taxation (E = A+D)	-	60.51	237.05	642.40	1,366.18
Brought forward losses set off (Depreciation)	-	-	-	-	-
Tax effect on the above (F)	-	-	-	-	-
Net tax for the year/period (E+F)	-	**60.51**	**237.05**	**642.40**	**1,366.18**
Tax payable as per MAT	-	42.00	88.52	259.24	939.37
Tax expense recognised	-	62.71	239.57	643.88	1,398.27
Tax as per return of income	-	62.71	239.57	727.18	**

The statement of tax shelter has been prepared based on returns of Income filed by the company with the Income Tax authorities.

*** The return of income for Assessment Year 2011-2012 i.e. Year ended 31.03.2011 is yet to be filed. Since the calculation of tax is done upto* January 31, 2011*, the actual tax liability at the end of the year (March 31, 2011) will be different.*

Annexure 12

SECURED LOANS

(₹ Lacs)

Particulars	As at March 31,				As at January 31,
	2007	2008	2009	2010	2011
Term loan from Banks	-	801.65	672.03	988.20	4,148.21
Working Capital / Cash Credit from Banks	-	368.44	2,469.19	3,971.22	7,026.89
Total	**0.00**	**1,170.09**	**3,141.22**	**4,959.42**	**11,175.10**

Principle Terms and Conditions of Outstanding Secured Loans:

(₹ Lacs)

Name of the lender	Facility	Sanctioned Amount	Amount Outstanding as on January 31, 2011	Rate of Interest	Repayment Schedule	Securities offered
The Shamrao Vitthal Co-op Bank Limited	Term Loan	500.00	399.75	15.00%	8.34 lacs per month till April 2015	EM of New building adm approx 500 sq. mts to be constructed at K4/1, additional Mahad, MIDC, Raigad & hypothecation of Machineries, Equipments to be acquired, and ranking *pari passu* charge with other lenders. Although sanction is for ₹ 500 lacs the amount under SBI consortium limit is restricted to ₹ 484 lacs.
The Shamrao Vitthal Co-op Bank Limited	Cash Credit	1,100.00	1,128.52 (excluding interest of ₹ 14.13 lacs)	15.00%		Hypothecation of stocks and book debts ranking 1st *pari passu* charge with other working capital lenders.
State Bank of India	Term Loan No. 516	473.33	366.66	13.00%	13.33 lacs per month till March 2013	First Charge on entire fixed assets on *pari passu* basis with other lenders. **Guarantee:** Personal guarantee of Kannan K. Vishwanath and corporate guarantee of Prophyla Biologicals Private Limited.
State Bank of India	Term Loan No. 1161	950.00	921.39	13.00%	20.83 lacs per month from Aug 2011 to March 2015. 8 lacs from April 2015 to June 2015. 9.98 lacs on July 2015.	First Charge on entire fixed assets on *pari passu* basis with other lenders. **Guarantee:** Personal guarantee of Kannan K. Vishwanath and Prophyla Biologicals Private Limited.
State Bank of India	Cash Credit / WCLD	4000.00	3991.41	12.75%		**Primary:** First pari passu charge on entire current assets of the Company. Second pari passu charge on Companies fixed assets **Collateral:** Liquid cash

						collateral in the form of TDR (with SBI MF) to the tune of ₹ 2.50 crores on *pari passu* basis with other working capital lenders. **Guarantee:** Personal guarantee of Kannan K. Vishwanath and corporate guarantee of Prophyla Biologicals Private Limited.
Corporation Bank	Term Loan	800.00	632.59	13.00%	16.67 lacs per month from Sep. 2011 till Aug 2015	1st *pari passu* charge on entire fixed assets of the Company. **Collateral:** Second *pari passu* charge on entire Current assets of the Company. **Guarantee:** Personal guarantee of Kannan K. Vishwanath and corporate guarantee of Prophyla Biologicals Private Limited.
Corporation Bank	Cash Credit	1200.00	1186.48 (excluding interest of ₹ 13.84 lac)	12.75%		First Charge on Companies entire current assets on *pari passu* basis with other working capital lenders. **Collateral:** Second Charge on Companies fixed assets comprising plot K-4/1 situated at Mahad, Raigad District, Maharashtra and Plot Gut No. 123 and Gut No. 97 (part) at Paringut, District Pune. Plot No. W-91, W-92 and W- 93, Taloja MIDC, District Raigad. Movable assets of the Company. **Guarantee:** Personal guarantee of Kannan K. Vishwanath and corporate guarantee of Prophyla Biologicals Private Limited.
IDBI Bank Limited	Term Loan	1800.00	1800.00	13.00%	30.00 lacs per month from April 2011 till March 2016	**Primary:** First *pari passu* charge on entire fixed assets of the company, both present and future. Second *pari passu* charge on entire current assets of the company, both present and future. **Collateral:** First *pari passu* charge by way of equitable mortgage of land at Taloja owned by Proplyla Biologicals Private Limited. **Guarantee:** Personal guarantee of Director Dr. Kannan K. Vishwanathan and

					corporate guarantee of Prophyla Biologicals Private Limited.
IDBI Bank Limited	Cash Credit	1500	692.51	12.75%	**Primary:** First *pari passu* charge on entire current assets of the company, both present and future. Second *pari passu* charge on entire fixed assets of the company, both present and future. Although sanction is for ₹ 1500 lacs the amount under SBI consortium limit is restricted to ₹ 700 lacs. **Collateral:** Second *pari passu* charge by way of equitable mortgage of land at Taloja owned by Proplyla Biologicals Private Limited. Liquid Cash Collateral in the form of lien on TDR with SBI MF to the tune of ₹ 2.50 crore on *pari passu* basis with other WC lenders. **Guarantee:** Personal guarantee of Kannan K. Vishwanath and corporate guarantee of Prophyla Biologicals Private Limited.

Annexure 13

INVESTMENTS, AS RESTATED

(₹ Lacs)

Particulars	As at March 31,				As at January 31,
	2007	2008	2009	2010	2011
Quoted	-	-	-	-	-
Unquoted					
Long term – The Shamrao Vithal Co-operative Bank Limited	0.03	5.00	5.00	5.02	5.02
Total	**0.03**	**5.00**	**5.00**	**5.02**	**5.02**

Annexure 14

SUNDRY DEBTORS, AS RESTATED

(₹ Lacs)

Particulars	As at March 31,				As at January 31,
	2007	2008	2009	2010	2011
Considered Good					
Outstanding for the period exceeding Six months	-	113.00	139.93	567.90	782.11
Other Debts	-	1,117.50	2,952.44	3,761.96	10,117.84
Considered Doubtful	-	-	-	-	-
Total	**0.00**	**1,230.50**	**3,092.37**	**4,329.86**	**10,899.95**

Related Party Transactions in above:

(₹ Lacs)

Particulars	As at March 31,				As at January 31,
	2007	2008	2009	2010	2011
Benzochem Lifesciences Private Limited*	-	583. 83	113. 41	-	-
Total	**-**	**583.83**	**113.41**	**-**	**-**

**Benzochem Lifesciences Private Limited has been disassociated from May 31, 2008*

Note:
Other than as mentioned above there are no beneficiaries of debtors of the company, who are in any way related to the promoter / director of the company as on January 31, 2011.

Annexure 15

LOANS AND ADVANCES, AS RESTATED

(₹ Lacs)

Particulars	As at March 31				As at January 31,
	2007	2008	2009	2010	2011
Advances recoverable in Cash or in Kind	3.42	157.97	39.83	315.85	301.66
Deposits	0.04	4.75	6.02	33.02	35.86
Total	**3.46**	**162.72**	**45.85**	**348.87**	**337.52**

Note:
The Company has not given any loans and advances to any related party since incorporation.

Annexure 16

OTHER INCOME, AS RESTATED

(₹ Lacs)

Particulars	For the year ended March 31,				For ten months ended January 31,
	2007	2008	2009	2010	2011
Recurring Income					
Interest From Banks & Securities	-	-	0.74	3.89	4.18
Non - Recurring Income					
Dividend Income	-	-	0.62	0.75	0.60
D.E.P.B. Duty Drawback	-	-	-	0.25	0.23
Foreign Exchange Fluctuations	-	-	-	46.84	-
Others	-	0.10	-	0.90	12.08
Total	**0.00**	**0.10**	**1.36**	**52.63**	**17.09**

Annexure 17

DETAILS OF RELATED PARTY TRANSACTIONS

Name of the Key Managerial Personnel	Relationship
Kashi Vishwanathan	Chairman
Kannan K. Vishwanath	Vice Chairman & Managing Director

Relatives of the Key Managerial Personnel	Relationship
Lakshmi Vishwanathan	Wife of Kashi Vishwanathan & Mother of Kannan K. Vishwanath
Sangeeta Sharma	Daughter of Kashi Vishwanathan & Sister of Kannan K. Vishwanath
Rajam Narayanan	Sister of Kashi Vishwanathan
K. V. Sundaram	Brother of Kashi Vishwanathan
K. V. Krishnan	Brother of Kashi Vishwanathan
Divya K. Vishwanath	Wife of Kannan K. Vishwanath

Companies / Firms in which the Key Managerial Personnel & their relatives are interested
Aasda Life Care Limited*
Benzochem Lifesciences Private Limited**
Finaventure Advisory Services (I) Private Limited***

** Also the Holding Company of Aanjaneya Lifecare Limited*
*** Disassociated from May 31, 2008*
**** Substantial shareholder till July 2009*

The Company has entered into the following related party transactions. As of January 31, 2011, such parties and transactions are identified as per Accounting Standard 18 issued by the 'The Institute of Chartered Accountants of India'.

(₹ Lacs)

Name of Related Party	Nature of transaction	For the financial years				For ten months ended
		2006 - 07	2007 - 08	2008 - 09	2009 – 10	31.01.2011
Kashi Vishwanathan	Loan from Director	-	-	62.10	-	250.00
	Repayment of Loans	-	-	-	7.00	55.00
	Remuneration to Director	-	-	30.00	36.00	30.00
Kannan K. Vishwanath	Remuneration to Director	-	-	30.00	36.00	30.00
	Loan from Director	7.50	124.00	413.30	931.83	811.61
	Repayment of loans	5.70	3.39	71.25	237.45	540.13
	Conversion of Loan to Equity	-	119.40	295.00	612.00	-
	Equity shares allotted	-	-	-	-	4860.00
	Rent for Premises	-	-	-	-	7.72
Divya Vishwanath	Remuneration to Director	-	-	3.10	3.08	-
	Remuneration as an Employee				2.04	5.10
Aasda Life Care Limited	Loan from Holding Company	-	-	-	1633.00	-
	Repayment of loans	-	-	-	-	13.00
	Conversion of Loan to Equity	-	-	-	1620.00	-
Benzochem Lifesciences Private Limited	Net sale of goods to Associate	-	673.31	282.34	-	-
	Advance taken from Associate	12.40	-	-	-	-
	Advance / Loan repayment	3.91	8.49	-	-	-
Finaventure Advisory (I)	Loan from Shareholder	113.00	-	-	-	-
	Conversion of Loan to Equity	-	79.60	-	-	-

Name of Related Party	Nature of transaction	For the financial years				For ten months ended
		2006 - 07	2007 - 08	2008 - 09	2009 – 10	31.01.2011
Services Private Limited						
	Professional fees paid	-	5.00	-	-	-

Amount due to / from Related Parties

(₹ Lacs)

Nature of Transactions	As at March, 31				As at
	2007	2008	2009	2010	31.01.2011
Benzochem Life Sciences Private Limited					
Net Sales of Goods	-	583.83	113.41	-	-
Advance taken	8.49	-	-	-	-
Mr. Kannan K Vishwanath					
Loan taken from Director	1.80	1.21	48.26	130.64	402.12
Rent Payable	-	-	-	-	7.72
Mr. Kashi Vishwanathan					
Loan taken from Director	-	-	62.10	55.10	250.10
Finaventure Advisory Services (I) Private Limited					
Loan taken from Shareholders	-	28.40	11.15	11.15	11.15
Aasda Life Care Limited					
Loan taken from Holding Company	-	-	-	13.00	-

Annexure 18

STATEMENT OF RESERVES & SURPLUS

(₹ Lacs)

Particulars	As at March 31,				As at January 31,
	2007	2008	2009	2010	2011
Share Premium	-	-	-	2,149.33	6,829.33
Reserves & Surplus	(3.19)	228.71	736.34	2,244.27	5,355.46
Total	**(3.19)**	**228.71**	**736.34**	**4,393.60**	**12,184.79**

Annexure 19

STATEMENT OF CONTINGENT LIABILITIES

There are no contingent liabilities in the Company since incorporation.

FINANCIAL INFORMATION OF PROMOTER GROUP ENTITIES

Aasda Life Care Limited is promoted by Dr. Kannan K. Vishwanath (our Promoter). For further details, please refer to the chapter titled *"Our Promoters and their Background"* beginning on page 176 of the Red Herring Prospectus.

1. **BENZOLIFFE**

Benzoliffe is a proprietary concern of Dr. Kannan K. Vishwanath. Benzoliffe has its office at Vishwam 8/B, Postal Colony, Chembur, Mumbai - 400 071, Maharashtra, India.

Financial Performance

(₹. in lacs)

Particulars	As on March 31, 2009	As on March 31, 2010*
Proprietors Capital	155.19	107.93
Sales	30.28	Nil
Net Profit	1.51	Nil

* *As there was no business activity carried out in the proprietory concern for FY 2010, no trading and profit and loss account for the year has been prepared.*

Except as mentioned above, as on the date of filing the Red Herring Prospectus, as required under SEBI ICDR Regulations, our Company has no Group Company or any other venture which is promoted by our Promoters.

Details of group companies whose names have been struck off from RoCs

None of our Promoter Group Entities have been struck off the record of Registrar of Companies as "defunct companies".

Other Confirmations

None of our Promoter Group Entities have become sick companies under the Sick Industrial Companies (Special Provisions) Act, 1995 and no winding up proceedings have been initiated against them.

Further, our Promoter Group Entity have confirmed that they have not been identified as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or any other authorities.

Additionally, none of the Promoter Group Entity has been restrained from accessing the capital markets for any reasons by the SEBI or any other authorities.

Our Promoter Group Entity has not come out with any public issues / rights issues in the last three years. Further, our aforesaid Promoter Group Entity is not listed on any stock exchanges.

Litigation

For details of relating to the legal proceeding involving our Promoter Group Entity, refer chapter titled *"Outstanding Litigation, Material Developments and Other Disclosures"* beginning on page 252 of the Red Herring prospectus.

Common Pursuits / Conflict of Interest

Our Promoter Company, Aasda Life Care Limited has the object clause similar to that of our Company's business. However, as on the date of filing the Red Herring Prospectus, our Promoter Company is not carrying on any business competing with that of our Company.

Sales or Purchase between the Companies in the Promoter Group

Except, as stated in the chapter titled "*Auditors' Report and Financial Information of our Company*" beginning on page 192 of the Red Herring Prospectus, there have been no sales or purchases between our Company and our Promoter Group Entity exceeding in value in the aggregate 10% of the total sales or purchases of our Company.

Related Party Transactions

Except, as stated in the chapter titled "*Auditors' Report and Financial Information of our Company*"' beginning on page 192 of the Red Herring Prospectus, there are no related party transactions with our Promoter Group Entity.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS AS REFLECTED IN THE FINANCIAL STATEMENTS

You should read the following discussion and analysis of our Company's financial condition and results of operations together with our restated financial statements beginning on page 192 included in the Red Herring Prospectus. You should also read the section titled 'Risk Factors' beginning on page 14 of the Red Herring Prospectus, which discusses a number of factors and contingencies that could impact our financial condition, results of operations and cash flows. The following discussion relates to our Company and is based on our Company's restated financial statements, which have been prepared in accordance with Indian GAAP, the Accounting Standards referred to in Section 211 (3C) of the Companies Act and the other applicable provisions of the Companies Act. The following discussion is also based on internally prepared statistical information and on publicly available information. Our Company's fiscal year ends on March 31, so all references to a particular fiscal year of our Company are to the 12-month period ended on March 31and for ten month period ended January 31, 2011. Certain industry, technical and financial terms used in this discussion shall have the meanings ascribed to them in the chapter titled 'Definitions and Abbreviations' of the Red Herring Prospectus.

Overview

Our Company is a vertically integrated pharmaceutical company with manufacturing and marketing capabilities in APIs (Active Pharmaceutical Ingredients) with focus on anti-malarial, and Finished Dosage Forms (FDFs) catering to various therapeutic segments.

We started our manufacturing activities in the year 2007 with an installed capacity of 2,00,000 kgs per annum for processing quinine, a pharmaceutical API for malaria derived from natural extracts, for supplying to other pharmaceutical companies for their finished dosages forms (FDFs). Our facility for APIs is GMP certified and is located at Additional MIDC, Mahad, Maharashtra. The same is awarded with ISO 14001:2004 (Environment Management System), ISO 9001:2008 & ISO 22000:2005 certifications by BSI Systems. We have also received the Certificate of Suitability from EDQM for our API Product Quinine Sulphate manufactured at our unit in Mahad.

Since our Company's inception, we have made continuous efforts to grow and expand our business and product lines. Our Company's installed capacity for processing quinine has grown from 2,00,000 kgs per annum in the year 2007 to 4,50,000 kgs per annum in the year 2010 with a capacity utilization of 60.89% in FY10 and 64.67% for the ten month period ended January 31, 2011. We have already commenced production of third generation anti malarial APIs i.e. artemisinin and its derivatives and niche API's. We have set up a dedicated small R&D block in Mahad, Maharashtra for manufacturing highly potent anti cancer product from 100 grams to 500 grams. Trial production for this unit is under process. We are also setting up a separate block for manufacturing anti cancer APIs and a separate cGMP block for manufacturing of niche APIs with enhanced capacities and a separate intermediate block for manufacturing the intermediates of niche APIs which have applications in various therapeutic segments.

Our Company's business strategy is to be a vertically integrated with presence in bulk drug manufacturing, intermediate drugs and finished dosage forms. We have recently acquired assets situated at Mulshi, Pune of Prophyla Biologicals (P) Limited, a company engaged in the business of formulations/ FDFs through an asset purchase agreement dated March 30, 2010, Sale Deed dated October 24, 2010 and deed of assignment dated April 01, 2010. Prophyla Biologicals (P) Limited is a contract manufacturer of lozenges, syrups and ointment/gels/creams. This acquisition gives us access to tap the potential of the formulation business thereby making us an integrated player with presence in the entire value chain in the pharmaceutical industry. The unit, spread over an area of 6,430 sq. mts. is situated at Mulshi, near Pune.

Our Company's present product portfolio consists of second generation, quinine based anti malarial APIs and third generation artemisinin based anti malarial APIs, niche API's and FDFs. With the expansion of the existing facility and the acquisition of the formulation unit at Pune, our Company's product portfolio will consist of APIs and FDFs which shall be marketed in domestic and international markets as branded generics. In finished dosages, we will cover important therapeutic segments such as anti malarial, pain management, erectile dysfunction and hormone replacement therapy, anti obesity and herbal supplements in syrup and tablet form amongst others. Our herbal formulations are for cough and cold, liver protection, throat congestion and osteoporosis. Presently we are supplying our APIs, niche API's and FDFs both domestically and exporting to around 15 countries namely Kenya, Uganda, Argentina, Cyprus, South Africa, Indonesia, Tanzania, Yemen, West Indies, Switzerland, Vietnam, Congo, Hong Kong, Haiti, Syria and Jordan. In our formulation segment, as contract manufacturer, we supply to companies like Wockhardt, Cipla, Glenmark etc. In our own branded generic segment, we are offering products like Anjtil, Rankorex, Doktor Qure, Prosils, LivChek, Herbal Drops and Esyhil. Further, in 2011, we have also launched products like Aanrich, Actipros, Ulsacare, Apticatch, Anjeniya Curcumacare, and Nicco-nil amongst others.

We have an established R&D centre at our existing facility at Mahad and Pune, Maharashtra. Through the proceeds of the Issue, we propose to expand our R&D centre at Mahad and Pune, Maharashtra. Our R&D centre is focused on improving the existing processes of drug development and reducing the production time and cost. At present, we have 5 patents registered and 5 patents applied in the name of our Company in India, further, we have also acquired rights for 3 patent applications filed for improved and non infringing process for producing anti cancer APIs namely Gemicitabine Hydrochloride, Capacitabine and Docetaxel which are yet to be granted.

At our company, success is measured in terms of customer satisfaction and quality that is built into every product. The value of commitment to quality is also cherished by each of our 261 staff members and is consciously upheld by a network of approximately 130 distributors. We have entered into a management consultancy services agreement dated June 26, 2010 with Rx Pharma India for availing their services for sales management, marketing, and logistics to market our products.

The total income of our Company has grown from 2,238.43 lacs in FY 08 to ₹ 16,935.66 lacs in FY 10 at a CAGR of 175.06 %. The Profit after tax of our Company has grown from ₹ 231.90 lacs in FY 08 to ₹ 1507.93 lacs in FY 10 at a CAGR of 155.01 %. The total income and profit after tax of our Company for the ten month period ended January 31, 2011 is ₹ 29,257.61 lacs and ₹ 3,111.19 lacs respectively.

Key Factors Affecting Our Results of Operations

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

- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Changes in laws and regulations relating to the industry in which we operate;
- Increased competition in this industry;
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various projects and business plans including those for which funds are being raised through the Issue;
- Fluctuations in operating costs;
- Any social unrest or natural disaster or breakdown of services and utilities could have material adverse effect on our business and financial condition;
- Any changes in the sales volume or decline in the pricing of quinine, or incase of any selling restrictions on quinine due to any reason;
- Short fall or non – availability or any escalation in the prices of critical raw materials used by our Company;
- Our ability to maintain and expand our existing product portfolio;
- Acquisition of assets of Prophyla Biologicals (P) Limited to enter into the formulation business;
- Our ability to attract and retain qualified personnel;
- The performance of the financial markets in India and globally;
- Any of the proposed products not getting registered with any regulatory authorities; and
- Any adverse outcome in the legal proceedings in which we may be involved.

Our results of operations have been, and will continue to be, affected by a number of events and actions, some of which are beyond our control. However, there are some specific items that may have impacted our results of operations in the financial year ended 2008, 2009, 2010 and for the ten months period ended January 31, 2011 and in some cases, will continue to impact our results of operations. In this section, we discuss some of the significant factors that we believe have or could have an impact on our revenue and expenditure. Also refer section titled *"Risk Factors"* beginning on page 14 of the Red Herring Prospectus.

Basis of Preparation of Financial Statements:

The financial statements are prepared under the historical cost convention on the accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) in India, and materially comply with the mandatory accounting standards issued by the Institute of Chartered Accountant of India (ICAI) and the provisions of the Companies Act, 1956.

Significant Accounting Policies

a. Basis of Accounting:

The Financial Statements of the Company are prepared under historical cost convention and on accrual basis and in accordance with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act 1956. Accounting policies, not specifically referred to hereunder is otherwise consistent with generally accepted accounting polices ["GAAP"].

b. Fixed Assets:

Fixed Assets are stated at cost of acquisition inclusive of non refundable duties and taxes, freight and incidental expenses, if any. Advances paid towards acquisition / construction of fixed assets outstanding at each balance sheet date and cost of fixed assets not ready for their intended use before such date are disclosed under capital work in progress.

c. Depreciation:

Depreciation on Fixed Assets is provided on S.L.M. method at the rates specified in schedule XIV of the Companies Act, 1956. Depreciation on additions made to fixed assets during the year is provided on pro-rata basis.

d. Valuation of Inventories:

i. Raw Materials are valued at cost or net, realizable value whichever is lower. Cost is determined by using the First In First out (FIFO) method.

ii. Semi Finished Goods (Work in progress) are valued at cost.

iii. Finished Goods: Manufactured goods are valued at cost or net realisable value whichever is lower. Cost is determined by using the First In First out (FIFO) method. Cost includes cost of raw materials used and all the related overhead expenses. Traded Goods are valued at cost or net realisable value whichever is lower. Cost is determined by using the First In First Out (FIFO) method.

e. Revenue Recognition:

The Company follows the mercantile system of accounting and hence revenue is recognized by the company on accrual basis.

f. Pre-Operative Expenditure:

Pre-Operative expenses of the Company have been fully written off in the year of commencement of commercial operations. The Company was incorporated on January 03, 2006 and commenced commercial operations on September 25, 2007.

g. Accounting for Foreign Exchange Transaction:

In accordance with Accounting Standard – 11 "*The effects of changes in Foreign Exchange*" rates issued by the Institute of Chartered Accountants of India (ICAI) the transaction in foreign exchange are accounted for at the exchange rates prevailing at the date of the transaction. In respect of the Assets and Liabilities remaining unsettled at the Balance sheet date are translated at the closing rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date are recognized as income or expense in the period in which they arise.

h. Taxation:

Tax expenses is the aggregate of current tax and deferred tax charged, as the case may be to the Profit and Loss Account for the year in accordance with Accounting Standard – 22 "Accounting for Taxes on Income" issued by ICAI and measured at the tax rate that have been enacted or substantively enacted by the Balance Sheet date.

1. *Current Tax*

   Tax on income for the current period is determined on the basis of assessable income computed in accordance with the provisions of the Income Tax Act, 1961.

2. *Deferred Tax*

   Deferred income taxes are recognized for the future tax consequences attributable to timing difference between the financial statements and determination of income for their recognition for tax purposes. The effect on deferred tax liabilities of a charge in tax rates is recognized in income using the rates and tax laws that have been enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognized and carried forward to the extent there is reasonable certainty that sufficient future taxable income will be available against which deferred tax assets can be realized.

i. Contingent Liability:

Contingent liability, if any, are disclosed in the Notes to Accounts. Provisions have been made in the accounts in respect of those contingencies which are likely to materialize into liabilities after the year end till the finalization of accounts and have a material effect on the position stated in the Balance Sheet.

j. Borrowing Cost:

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till such time as the asset is ready for its intended use. All other borrowing costs are expensed in the period in which they are incurred.

COMPONENTS OF INCOME AND EXPENDITURE

Income

Our income primarily comprises of sales of second generation anti malarial APIs such as quinine sulphate, quinine bisulphate, quinine hydrochloride and quinine di-hydrochloride, FDFs such as lozenges, syrups and ointment / gels / creams and other income.

Gross Sales - We derive gross sales from the sale of different salts of quinine manufactured and sold by us and trade of pharmaceutical products.

Other Income - Our other income primarily includes the following:
- Interest from Banks and Securities;
- Dividend Income;
- D.E.P.B. Duty drawback;
- Foreign Exchange Fluctuations;
- Others

Expenditure

Our expenditure consists of material consumption, wages and staff costs, other manufacturing expenses and administrative, selling and distribution expenses.

Material Consumption - Our expenditure on material consumption primarily consists of expenditure on raw materials and components consumed in the manufacturing process and an increase or a decrease in stocks.

Wages and Staff Costs - Our personnel expenses primarily consist of salaries, wages, bonus and other related expenses, contribution to provident fund and staff welfare expenses.

Other Manufacturing Expenses - Our other expenses primarily consist of electricity charges, repairs and maintenance charges, freight and transportation charges, research and development expenses, consumables, import clearing expenses, etc.

Administrative, Selling and Distribution Expenses - Our administrative, selling and distribution expenses primarily consist of rent, insurance, printing and stationary, office expenses, petrol and diesel expenses, software expenses, vehicle expenses and repairs, electricity charges, etc.

Our Growth Path

The following table sets forth select financial data from our audited profit and loss account for the financial years 2008, 2009, 2010 and for the ten months period ended January 31, 2011 respectively, the components of which are also expressed as a percentage of total income for such periods.

Particulars	**For ten months period ended January 31, 2011**		**For the Financial Year**					
			2010		**2009**		**2008**	
	(₹ In lacs)	**% of Total Income**	**(₹ In lacs)**	**% of Total Income**	**(₹ in lacs)**	**% of Total Income**	**(₹ In lacs)**	**% of Total Income**
Income:								
Sales of Products Manufactured	27,986.29	95.65%	16,008.57	94.53%	9,010.28	98.84%	2,187.87	97.74%
Sales of Products Traded	15.53	0.05%	158.58	0.94%	3.10	0.03%	-	-
Net Sales	28,001.82	95.71%	16,167.15	95.46%	9,013.38	98.88%	2,187.87	97.74%
Other Income	17.09	0.06%	52.63	0.31%	1.36	0.01%	0.10	0.00%
Increase / (Decrease) in Inventories	1,238.70	4.23%	715.88	4.23%	100.85	1.11%	50.46	2.25%
Total Income	**29,257.61**	**100.00%**	**16,935.66**	**100.00%**	**9,115.59**	**100.00%**	**2,238.43**	**100.00%**
Expenditure:								
Material Consumption	21,822.92	74.59%	13,017.92	76.87%	7,462.90	81.87%	1,658.23	74.08%
Wages and Staff Costs	377.22	1.29%	233.87	1.38%	156.59	1.72%	11.79	0.53%
Other Manufacturing Expenses	453.59	1.55%	399.28	2.36%	215.72	2.37%	41.37	1.85%
Administrative, selling and distribution expenses	605.63	2.07%	304.95	1.80%	189.47	2.08%	20.58	0.92%
Total Expenditure	**23,259.36**	**79.50%**	**13,956.02**	**82.41%**	**8,024.68**	**88.03%**	**1,731.97**	**77.37%**

Particulars	For ten months period ended January 31, 2011		For the Financial Year					
			2010		2009		2008	
	(₹ In lacs)	% of Total Income	(₹ In lacs)	% of Total Income	(₹ in lacs)	% of Total Income	(₹ In lacs)	% of Total Income
Profit Before Interest, Depreciation and Tax	**5,998.25**	**20.50%**	**2,979.64**	**17.59%**	**1,090.91**	**11.97%**	**506.46**	**22.63%**
Depreciation	206.39	0.71%	87.88	0.52%	51.71	0.57%	22.70	1.01%
Profit Before Interest and Tax	**5,791.86**	**19.80%**	**2,891.76**	**17.07%**	**1,039.20**	**11.40%**	**483.76**	**21.61%**
Financial Charges	1,078.64	3.69%	603.65	3.56%	257.88	2.83%	78.12	3.49%
Profit after Interest and Before Tax	**4,713.22**	**16.11%**	**2,288.11**	**13.51%**	**781.32**	**8.57%**	**405.64**	**18.12%**
Preliminary Expenses and Def. Exp. W/o	-	-	-	-	-	-	34.95	1.56%
Profit before taxation	**4,713.22**	**16.11%**	**2,288.11**	**13.51%**	**781.32**	**8.57%**	**370.69**	**16.56%**
Provision for Taxation	1,398.27	4.78%	643.88	3.80%	239.57	2.63%	62.71	2.80%
Provision for Deferred Tax	203.76	0.70%	133.85	0.79%	26.00	0.29%	75.17	3.36%
Provision for FBT	-	-	-	-	1.90	0.02%	1.00	0.04%
Add/Less Tax adjustment Prior Year	6.07	0.02%	2.60	0.02%	3.10	0.03%	-	-
Total Taxation	**1,608.10**	**5.50%**	**780.33**	**4.61%**	**270.57**	**2.97%**	**138.88**	**6.20%**
Profit After Tax but Before Extra ordinary Items	**3,105.12**	**10.61%**	**1,507.78**	**8.90%**	**510.75**	**5.60%**	**231.81**	**10.36%**
Net Profit after adjustments, as restated	**3,111.19**	**10.63%**	**1,507.93**	**8.90%**	**507.63**	**5.57%**	**231.90**	**10.36%**

Note: *Our Company was incorporated on January 03, 2006 and started commercial production on September 25, 2007. Prior to that, none of our Company's projects were under operation as a result of which, our Company does not have any income from operations as of March 31, 2007 and the financials for FY 2008 is only for a period of six months. Therefore comparison of the results of operation of our company with the previous financials years that is 2007, 2008 and 2009 is not possible.*

Discussion on Results of Operations

For the ten months period ended January 31, 2011

Total Income – Due to the below mentioned reasons, our Company's total sales stood at ₹ 29,257.61 lacs for the ten months period ended January 31, 2011.

Net Sales – Our Company's net sales stood at ₹ 28,001.82 lacs for the ten months period ended January 31, 2011. The net sales can be mainly attributable to the addition of the formualtions unit that was acquired on March 31, 2010 from

Prophyla Biologicals Private Limited, that contributed ₹ 11, 226.74 lacs and from the sales of API's, that contributed ₹ 16,759.55 lacs.

Other Income – Our Company's other income stood at ₹ 17.09 lacs for the ten months period ended January 31, 2011. Other income as a percenatge to the total income was 0.06% during the same period.

Total Expenditure – Our Company's total expenditure consists of cost of materials consumed (₹ 21,822.92 lacs), wages and staff cost (₹ 377.22 lacs), other manufacturing expenses (₹ 453.59 lacs) and administartive, selling and distribution expenses (₹ 605.63 lacs). Our Company's total expenditure stood at ₹ 23,259.36 lacs or 79.50% of our Total Income for the ten months period ended January 31, 2011.

Depriciation – Depriciation amounted to ₹ 206.39 lacs for the ten months period ended January 31, 2011. During the same period, depreciation as a percentage of total income stood at 0.71%.

Financial Charges – Our financial charges were ₹ 1,078.64 lacs for the ten months period ended January 31, 2011 due to interest and finance cost on term loans and interest and finance cost on the cash credit facility availed by our Company.

Net Profit - For the reasons discussed above, our Company's net profit as restated was ₹ 3,111.19 lacs for the ten months period ended January 31, 2011.

Financial Year 2010 Compared to Financial Year 2009

Total Income - Our total income increased by 85.79% to ₹ 16,935.66 lacs for the financial year ended 2010 from ₹ 9,115.59 lacs for the financial year ended 2009. This rise is due to the fact that sales have increased from ₹ 9,013.38 lacs for the financial year ended 2009 to ₹ 16,167.15 lacs for the financial year ended 2010 attributing to a percentage increase of 79.37%.

Net Sales - Our net sales increased by 79.37% to ₹ 16,167.15 lacs for the financial year ended 2010 from ₹ 9,013.38 lacs for the financial year ended 2009. The increase is attributable to the increase in production and sales of different types of salts of quinine like quinine bisulphate, quinine hydrochloride, quinine sulphate and quinine dihydrochloride due to increase in the client base which was a result of our Company's new marketing strategies. Further, the increases in sales can also be attributable to the fact that our Company initiated exports to countries like Kenya, South Africa, Hong Kong, Jordan, Syria amongst others.

Other Income - Our other income increased to ₹ 52.63 lacs for the financial year ended 2010 from ₹ 1.36 lacs for the financial year ended 2009, primarily due to income generated from foreign exchange rate fluctuation, increase in the interest received from banks and securities amongst others.

Total Expenditure - Our total expenditure increased to ₹ 13,956.02 lacs for the financial year ended 2010 from ₹ 8,024.68 lacs for the financial year ended 2009. However, as a percentage of our total income, our total expenditure decreased to 82.41% for the financial year ended 2010 from 88.03% for the financial year ended 2009. The decrease of our total expenditure as a percentage to the total income is attributable to the increase in the production volumes thereby providing economies of scale.

The increase in overall expenditure can be attributable to the fact that the demand for the products had increased leading to an increase in production/trading which had a direct influence on the cost of material consumption which increased to the tune of ₹ 13,107.92 lacs or 74.44%. Also, an increase in the staff cost, other manufacturing expenses, administrative, selling and distribution expenses and financial charges had a significant hand to play in the overall increase in the expenditure. The increase in financial charges is due to the increase in the term loan amount and the cash credit limits availed by our Company.

Material Consumption - Our material consumption expenses increased by 74.44% to ₹ 13,017.92 lacs for the financial year ended 2010 from ₹ 7,462.90 lacs for the financial year ended 2009, primarily due to an increase in the consumption of Cinchona Bark as a percentage of the raw material consumption increased to 86.97% for the financial year 2010 from

78.13% for the financial year 2009. As a percentage of our total income, our material consumption decreased to 76.87% for the financial year ended 2010 from 81.87% for the financial year ended 2009.

Staff Costs - Our personnel expenses increased by 49.35% to ₹ 233.87 lacs for the financial year ended 2010 from ₹ 156.59 lacs for the financial year ended 2009, primarily due to the recruitment of qualified and experienced personnel particularly in the marketing department, R&D centre and technical department, which resulted in an increase in the total number of our permanent employees to 88 as of March 31, 2010 from 52 as of March 31, 2009. As a percentage of our total income, our personnel expenses decreased marginally to 1.38% for the financial year ended 2010 from 1.72% for the financial year ended 2009.

Other Manufacturing Expenses - Our other manufacturing expenses increased by 85.09% to ₹ 399.28 lacs for the financial year ended 2010 from ₹ 215.72 lacs for the financial year ended 2009, primarily due to an increase in the electricity charges, coal expenses, consumables, freight, transport coolie and cartage expenses, import clearing expenses, labor charges, repair and maintenance charges, factory expenses, etc. As a percentage of our total income, our other manufacturing expenses decreased marginally to 2.36% for the financial year ended 2010 from 2.37% for the financial year ended 2009.

Administrative, Selling and Distribution Expenses - Our administrative, selling and distribution expenses increased by 60.95% to ₹ 304.95 lacs for the financial year ended 2010 from ₹ 189.47 lacs for the financial year ended 2009. During the same period, the administrative, selling and distribution expenses as a percentage of total income decreased from 2.08% to 1.80%.

Depreciation - Depreciation expenses increased by 69.95% to ₹ 87.88 lacs for the financial year ended 2010 from ₹ 51.71 lacs for the financial year ended 2009, primarily due to an increase in gross block to ₹ 4,854.96 lacs as of March 31, 2010 from ₹ 1,394.86 lacs as of March 31, 2009, which was the result of the capital expenditure incurred by our Company to increase the manufacturing capacity of APIs from 360 MT to 450 MT at Mahad, Maharashtra during the financial year ended 2010. As a percentage of our total income, our depreciation expenses decreased to 0.52% for the financial year ended 2010 from 0.57% for the financial year ended 2009.

Financial Charges - Our financial charges increased by 134.08% to ₹ 603.65 lacs for the financial year ended 2010 from ₹ 257.88 lacs for the financial year ended 2009, primarily due to an increase in interest and finance cost on term loans to ₹ 126.90 lacs for the financial year ended 2010 from ₹ 0.19 lacs for the financial year ended 2009 and an increase in interest and finance cost on the cash credit facility availed by our Company to ₹ 439.01 lacs for the financial year ended 2010 from ₹ 98.56 lacs for the financial year ended 2009. As a percentage of our total income, our interest and finance costs increased to 3.56% for the financial year ended 2010 from 2.83% for the financial year ended 2009.

Profit Before Taxation - For the reasons discussed above, profit before taxation increased by 192.85% to ₹ 2,288.11 lacs for the financial year ended 2010 from ₹ 781.32 lacs for the financial year ended 2009. Our profit before tax margin as a percentage of total income increased to 13.51% in for the financial year ended 2010 from 8.57% in for the financial year ended 2009.

Provision for Taxation - Provision for taxation inclusive of deferred tax and fringe benefit tax increased by 190.77% to ₹ 777.73 lacs for the financial year ended 2010 from ₹ 267.47 lacs for the financial year ended 2009.

Net Profit - Our net profit was ₹ 1507.93 lacs for the financial year ended 2010 as compared to a net profit for the year of ₹ 507.63 lacs for the financial year ended 2009. This increase can mainly be attributable to an analogous increase in the sales.

Financial Year 2009

Total Income - This being the first full year of commercial operations, our Company generated revenue of ₹ 9,013.38 lacs by sales of different types of salts of quinine like quinine bisulphate, quinine hydrochloride, quinine sulphate and quinine dihydrochloride and trade of pharmaceutical products. The other component of our total income was ₹ 1.36 lacs for the financial year ended 2009. Our Company's total income for the financial year ended 2009 was ₹ 9,115.59 lacs.

Total Expenditure - Our Company's total expenditure was ₹ 8,024.68 lacs for the financial year ended 2009. Our expenses comprises of material consumption amounting to ₹ 7,462.90 lacs, wages and staff costs (₹ 156.59 lacs), other manufacturing expenses (₹ 215.72 lacs), administrative and selling and distribution expenses (₹ 189.47 lacs). The cost of Cinchona Bark, from which our Company extracts quinine accounts 78.13% of the material consumption cost.

Depreciation - Depreciation expenses amounted to ₹ 51.71 lacs for the financial year ended 2009 due to the capital expenditure incurred by our Company to increase the manufacturing capacity of APIs from 200 MT to 360 MT.

Financial Charges - Our financial charges were ₹ 257.88 lacs for the financial year ended 2009 due to interest and finance cost on term loans and interest and finance cost on the cash credit facility availed by our Company.

Net Profit - Our Company's net profit as restated was ₹ 507.63 lacs for the financial year ended 2009.

Financial Year 2008

Total Income - Our Company commenced commercial operations on September 25, 2007. Therefore, for a period of six months, our Company's income from the sale of different types of salts of quinine like quinine bisulphate, quinine hydrochloride, quinine sulphate and quinine dihydrochloride was ₹ 2,187.87 lacs and other income was ₹ 0.10 lacs for the financial year ended 2008. Our Company's total income for the financial year ended 2008 was ₹ 2,238.43 lacs.

Total Expenditure - Our Company's total expenditure was ₹ 1,731.97 lacs for the financial year ended 2008 primarily due to expenses like material consumption (₹ 1,658.23 lacs), wages and staff costs (₹ 11.79 lacs), other manufacturing expenses (₹ 41.37 lacs), administrative and selling and distribution expenses (₹ 20.58 lacs). The cost of cinchona bark and crude quinine sulphate accounts 15.29% and 81.40% respectively of the material consumption cost.

Depreciation - Depreciation expenses were ₹ 22.70 lacs for the financial year ended 2008.

Financial Charges - Our financial charges were ₹ 78.12 lacs for the financial year ended 2008 due to interest and finance cost on term loans and interest and finance cost on the cash credit facility availed by our Company.

Net Profit - Our Company's net profit as restated was ₹ 231.90 lacs for the financial year ended 2008.

Liquidity and Capital Resources

Our primary liquidity needs have historically been to finance our working capital requirements and capital expansion. To fund these costs, we have relied on debt and equity.

Cash Flows

The table below summarizes our consolidated cash flows for the financial years 2008, 2009, 2010 and for the ten months period ended January 31, 2011:

(₹ in lacs)

Particulars	For the ten months period ended January 31, 2011	For the Financial Year		
		2010	2009	2008
Net cash generated from / (used in) operating activities	(3,927.78)	48.20	(2,193.47)	(234.01)
Net cash generated from / (used in) investing activities	(5,421.82)	(3,880.37)	(297.76)	(1,069.95)
Net cash generated from / (used in) financing activities	9,650.51	3,834.93	2,555.83	1,310.61
Net increase/decrease in cash and cash equivalent	300.91	2.74	64.59	6.65

For the ten months period ended January 31, 2011

Net cash used in operating activities for the ten months period ended January 31, 2011 amounted to ₹ 3,927.78 lacs.

Net cash used in investing activities for the ten months period ended January 31, 2011 amounted to ₹ 5,421.82 lacs.

Net cash generated from financing activities for the ten months period ended January 31, 2011 amounted to ₹ 9,650.51 lacs.

As a result of the above, cash and cash equivalents amounted to ₹ 300.91 lacs.

For the year ending March 31, 2010

Net cash generated in operating activities for financial year ended 2010 amounted to ₹ 48.20 lacs. Profit before tax amounted to ₹ 2,288.11 lacs, and adjustments to cash flow primarily included financial expenses of ₹ 603.65 lacs, and depreciation of ₹ 87.88 lacs. Working capital adjustments included increase in inventories of ₹ 2,070.40 lacs, due to increase in trade receivables of ₹ 1,237.49 lacs and increase in trade payables of ₹ 919.31 lacs.

Net cash used in investing activities for the financial year ended 2010 amounted to ₹ 3,880.37 lacs which primarily includes the purchase of Fixed Assets and CWIP.

Net cash from financing activities for the financial year ended 2010 amounted to ₹ 3,834.93 lacs, mainly due the allotment of 8,26,667 Equity Shares with a face value of ₹ 10/- each and a share premium of ₹ 260/- each amounting to ₹ 2,232.00 lacs.

As a result of the above, cash and cash equivalents amounted to ₹ 2.74 lacs.

For the year ending March 31, 2009

Net cash used in operating activities for financial year ended 2009 amounted to ₹ 2,193.47 lacs. Profit before tax amounted to ₹ 781.32 lacs, and adjustments to cash flow primarily included financial expenses of ₹ 257.88 lacs, and depreciation of ₹ 51.71 lacs. Working capital adjustments included increase in inventories of ₹ 1,254.54 lacs and increase in trade and other receivables of ₹ 1,861.88 lacs.

Net cash used in investing activities for the financial year ended 2009 amounted to ₹ 297.76 lacs which primarily includes the purchase of Fixed Assets and CWIP.

Net cash from financing activities for the financial year ended 2009 amounted to ₹ 2,555.83 lacs, mainly due to an increase in credit facilities.

As a result of the above, cash and cash equivalents amounted to ₹ 64.59 lacs.

For the year ending March 31, 2008

Net cash used in operating activities for financial year ended 2008 amounted to ₹ 234.01 lacs. ₹ 370.69 lacs was generated from pre-tax profit. Adjustments to cash flow primarily mainly included financial expenses of ₹ 78.12 lacs, miscellaneous expenditure written off of ₹ 34.95 lacs and depreciation of ₹ 22.70 lacs. Working capital adjustments included increases in inventories of ₹ 279.28 lacs, due to increase in trade and other receivables of ₹ 1230.50 lacs and increase in trade payables of ₹ 925.38 lacs.

Net cash used in investing activities for the financial year ended 2008 amounted to ₹ 1,069.95 lacs which primarily includes the purchase of Fixed Assets and CWIP.

Net cash raised for financing activities for the financial year ended 2008 amounted to ₹ 1,310.61 lacs, mainly due to an increase in credit facilities.

As a result of the above, cash and cash equivalents amounted to ₹ 6.65 lacs.

Indebtedness

The following table provides our outstanding indebtedness as of March 31, 2008, 2009, 2010 and for the ten months period ended January 31, 2011:

(₹ in lacs)

Particulars	For the ten months period ended January 31, 2011	As on March 31,		
		2010	2009	2008
Secured Loans				
Term Loan from Banks	4,148.21	988.20	672.03	801.65
Working Capital / Cash Credit from Banks	7,026.89	3,971.22	2,469.19	368.44
Unsecured Loans	663.37	1,009.89	621.51	73.94
Total Indebtedness	**11,838.47**	**5,969.31**	**3,762.73**	**1,244.03**

For the ten months period ended January 31, 2011, we had ₹ 11,838.47 lacs of aggregate amounts of indebtedness outstanding.

For further details on the indebtedness, please refer chapter titled "*Financial Indebtedness*" beginning on page 240 of the Red Herring Prospectus.

Contingent Liabilities

There are no contingent liabilities as at the Balance Sheet date.

Related Party Transactions

There are no related party transactions with any of the related parties except as mentioned under the heading titled "*Details of Related Party Transactions*" on page 221 under the chapter titled '*Auditors' Report and Financial Information of our Company*' of the Red Herring Prospectus.

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. For the ten months period ended January 31, 2011, all of our indebtedness consisted of floating rate indebtedness. Since we do not have any forward contracts to hedge against interest rate risk, any upward fluctuations in interest rates may increase the cost of both existing and new debts.

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.

Other Qualitative Factors

SIGNIFICANT DEVELOPMENTS SINCE THE DATE OF LAST FINANCIAL STATEMENTS

Except as stated below, there has been no significant development after January 31, 2011:

Secured Loans

Our Company has obtained sanction from Allahabad Bank, in respect of cash credit facilities of ₹ 1,000 lacs in the month of March, 2011.

FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS:

1. **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 etc.**

   Except as described in the Red Herring Prospectus, there have been no other events or transactions that, to our knowledge, may be described as “unusual” or “infrequent”.

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

   There are no significant economic changes that may materially affect or likely to affect income from continuing operations.

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

   Except as described in the chapter titled “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and in the Red Herring Prospectus, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations.

4. **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.**

Except as described in the chapters titled "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", of the Red Herring Prospectus to our knowledge there are no known factors that will have a material adverse impact on our operations and finances.

5. 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.

Except as described in the chapters titled "*Objects of the Issue*" and "*Our Business*", of the Red Herring Prospectus we have no plans to introduce new products and enter into new business segment.

6. Total turnover of each major industry segment in which the issuer company operated.

For details on the total turnover of the pharmaceutical industry please refer to chapter titled *"Industry Overview"* beginning on page 111 of the Red Herring Prospectus.

7. Status of any publicly announced new products or business segment.

Our Company has not announced any new product and segment, other than through the Red Herring Prospectus.

8. The extent to which business is seasonal.

Our Company's business is not seasonal in nature.

9. Dependence on single or few suppliers / customers

The percentage contribution of our Company's customers and suppliers vis-à-vis the net income and total purchses of raw material respectively, for the ten months period ended January 31, 2011 is as follows:

Particulars	Customers	Suppliers
Top Five	84.02%	95.75%
Top Ten	94.48%	98.05%

10. Competitive Conditions

Please refer to the chapters and section titled "*Business Overview*", "*Industry Overview*" and "*Risk Factors*" beginning on page 121, 111 and 14 respectively of the Red Herring Prospectus for further details on competition.

FINANCIAL INDEBTEDNESS

I] Our Company entered into a Working Capital Consortium Agreement with State Bank of India (Lead Bank), The Shamrao Vithal Co-operative Bank Limited, Corporation Bank Limited and IDBI Bank Limited ("SBI Consortium" or "the Consortium").

Our Company entered into a Working Capital Consortium Agreement ("Principal Working Capital Consortium Agreement") and inter creditor agreement dated July 26, 2010, with State Bank of India and The Shamrao Vithal Co-operative Bank Limited whereby we were sanctioned working capital facility and term loan facility of ₹. 11,507 lacs Subsequently, by a First Supplemental Working Capital Consortium Agreement dated September 13, 2010 and a Second Supplemental Working Capital Consortium Agreement dated November 22, 2010, the Principal Working Capital Consortium Agreement was modified to induct Corporation Bank Limited and IDBI Bank Limited as members of the Consortium. The Consortium members have appointed SBI as the Lead Bank and have entered into a First Supplemental Interse Agreement dated September 13, 2010 and Second Supplemental Interse Agreement dated November 22, 2010 to that effect.The Principal Working Capital Consortium Agreement as amended by the abovementioned Supplemental Agreements provide for the following facilities.

(₹ in lacs)

Name of the Banks	Working Capital	Term Loan	Total
State Bank of India	4,000	1,423	5,423
The Shamrao Vithal Co-operative Bank Limited	1,100	484	1,584
Corporation Bank Limited	1,200	800	2,000
IDBI Bank Limited	700	1,800	2,500
Total	**7,000**	**4,507**	**11,507**

The details of amount outstanding on secured loans as on March 31, 2011is as follows:

a. Term Loans

Name of the Lender	Amount Sanctioned (₹ in lacs)	Amount outstanding as on March 31, 2011 (₹ in lacs)	Interest (%)	Tenure	Repayment schedule	Security
State Bank of India	1423.00 comprising: a.) 473.00 (being term loans taken over by Axis Bank b.) 950.00 extended by SBI	a.) 344.24 b.) 933.00	13% per annum (5.50% above Base Rate with monthly rests, and reset after 2 years)	a) 4 years for ₹ 473 lacs (being term loans taken over by Axis Bank Limited) b) 5 years for ₹ 950 lacs	a) Repayable in 40 installments beginning from FY 2010 - 2011 and ending FY 2013 - 2014 b.) Repayable in 48 installments beginning from FY 2011-2012 and ending FY 2015-2016	Please refer to Note 1
The Shamrao Vithal Co-operative Bank	500.00*	387.66	15% per annum (PLR-2% = 13% per annum)	72 months inclusive of moratorium of 12 months	Repayment in 59 installments of ₹ 8.34 lacs each and ₹ 7.94 lacs being the last installment	Please refer to Note 1

Limited						
Corporation Bank	800.00	700.41	13.00% per annum (5.25% above Corporation Bank's base rate)	60 months	Repayment in 48 monthly instalments of ₹ 16.67 Lakhs, last monthly instalment being ₹ 16.51 lakh after an initial repayment holiday of 12 months from the date of first disbursement.	Please refer to Note 1
IDBI Bank Limited	1,800	1800.00	13% per annum (Bank Base rate (BBR) plus 500 bps p.a.)	5 years 6 months	60 equated monthly instalments, commencing 6 months after the first utilization of funds within 30 days.	Please refer to Note 1

** Sanction is for ₹500 Lacs the amount under State Bank of India consortium limit is restricted to ₹484 Lacs.*

b. Working Capital Loans (Fund Based and Non Fund Based)

Name of the Lender	Amount Sanctioned (₹ in lacs)	Amount outstanding as on March 31, 2011 (₹ in lacs)	Interest (%)	Tenure	Security
State Bank of India	Cash Credit 4,000, + Adhoc limit of 200.00	4,198.81	a.) 12.75 % per annum Cash Credit: 5.25% above Base Rate with monthly rests	12 months	Please refer to Note 2
The Shamrao Vithal Co-operative Bank Limited	1,100.00 + adhoc limit of 30.00	1,127.35	15 % per annum (PLR – 2% = 13.00% per annum)	Renewal due on March 31, 2011	Please refer to Note 2
Corporation Bank	1,200	1,192.26	12.75% p.a (5.00% above Corporation Bank's Base Rate)	Running account repayable on demand subject to annual renewal/review	Please refer to Note 2.
IDBI Bank Limited	1,500**	671.07	12.75% p.a (Bank Base Rate rate (BBR) plus 475 bps p.a.)	12 months line. Repayment on due date.	Please refer to Note 2.

*** Sanction is for ₹1,500 Lacs the amount under State Bank of India consortium limit is restricted to ₹700 Lacs.*

<u>Note 1</u>

Security for the term loan facility

First charge in favour of the lenders on our Company's fixed assets situated at Mahad and Pune.

Second charge on our Company's current assets, namely, the stock of raw materials, semi- finished and finished goods, stores and spares not relating to plant and machinery (consumable stores and spares), bills receivable and book debts and all other movables (excluding such movables as are permitted by the Lenders from time to time) but including documents of title to goods and other assets, such as outstanding monies, receivables including receivables by way of cash assistance and/or cash, including under the Cash Investment Scheme or any other scheme, claims including claims by way of refund of customs/excise duties under the Duty Drawback Credit Scheme or any other scheme, bills, invoices, documents, contracts, engagements, securities, investments and rights, both present and future, pertaining to our Company's division at Mahad and Pune.

Note 2

Security for the working capital facility

First charge by way of hypothecation and/or pledge of our Company's current assets, namely, the stock of raw materials, semi- finished and finished goods, stores and spares not relating to plant and machinery (consumable stores and spares), bills receivable and book debts and all other movables (excluding such movables as are permitted by the lenders from time to time) but including documents of title to goods and other assets, such as outstanding monies, receivables including receivables by way of cash assistance and/or cash, including under the cash investment scheme or any other scheme, claims including claims by way of refund of customs/excise duties under the duty drawback credit scheme or any other Scheme, bills, invoices, documents, contracts, engagements, securities, investments and rights, both present and future, pertaining to our Company's division at Mahad and Pune.

Second charge on our Company's fixed assets situated at Mahad and Pune.

Negative Covenants

(a) The said facilities shall be utilized by our Company for meeting a part of the working capital requirements and for no other purposes.
(b) So long as the Cash Credit Account or Accounts continue in the Books of the Lenders in respect of the said facilities, our Company shall not avail of any credit facility or accommodation from any other bank or financial institution or any person firm or company in any manner without the previous permission in writing of the Lead Bank nor shall it deal with or through any other bank or financial institution without having obtained in this behalf the prior written approval of the Lead Bank.
(c) The Lenders shall be at liberty to have any goods, book-debts, movables and other assets hypothecated and/or pledged as aforesaid, valued by an appraiser appointed by the Lead Bank and our Company agrees and confirms to give all the required assistance/co-operation to such appraiser for such valuation and the said valuation shall be binding on our Company and the fees and expenses of such appraisal shall be borne by our Company and me debited to the Accounts of our Company with the Lenders.
(d) In respect of the loan facility granted to our Company against the pledge of goods, movables and other assets shall be placed in the possession of the Lenders under their control and in such manner that such possession and control may be apparent and indisputable. In pursuance thereof, inter alia, the godowns, factories and other places approved by the Lenders in this respect where the goods, movables and other assets that are pledged have been stored shall bear the name boards of the Lenders indicating that the goods, movable and other assets lying therein are pledged to the Lenders.
(e) Our Company undertakes that the padlocks of the Lenders will be used on the godowns, factories or other places will be locked by our Company when not in use and the keys thereof shall be returned to the Lenders on demand and that the name board of the Lenders shall be displayed on such factory, mundy or other place where such manufacturing or other activity is carried on indicating that the goods, movables and other assets are pledged to the Lenders.
(f) Our Company shall not deal with the goods, movables and other assets and documents of title thereto or the goods, movables and other assets covered by the documents except under and in accordance with the written instructions of the Lenders.

(g) Our Company shall undertake to procure additional funds at the appropriate time and on terms applicable to the Lead Bank to meet any shortfall that may arise in Cash Accruals or for meeting overruns, if any, in financing the Working Capital requirements of our Company. Our Company agrees that such terms will not be withdrawn without the prior approval of the Lead Bank during the currency of the said facilities.
(h) Our Company agrees that it will maintain adequate Books of Accounts that correctly reflect its financial position and scale of operations and would not radically change the Accounting System without prior notice to the Lead Bank.
(i) During the currency of the said facilities, our Company shall not without obtaining the prior consent in writing of the Lead Bank declare any dividend on its share capital, if it fails to meet its obligations to pay the interest and/or commission and/or installment or installments and/or other moneys payable to the Lenders, so long as it is in such default.
(j) Our Company agrees that pending seizure by the Lenders or any of them of the said properties and any documents thereof, any insurance moneys received by our Company shall be held by our Company as the exclusive property of the Lenders subject to the rights of the Lenders specifically appropriated to the security and our Company will not without the written consent of the Lead Bank first had and obtained make or suffer nor attempt to make or suffer any mortgage, charge, lien or encumbrance to affect the same or any part thereof nor do allow anything that may prejudice the security hereby created or agreed to be created nor create any security whatsoever save as approved by the Lead Bank.
(k) During the currency of the said facilities, our Company shall not without the prior permission in writing of the Lead Bank effect any change in our Company's capital structure.
(l) During the currency of the said facilities, our Company shall not without the prior permission in writing of the Lead Bank formulate any Scheme of Amalgamation or Reconstruction.
(m) During the currency of the said facilities, our Company shall not without the prior permission in writing of the Lead Bank implement any scheme of expansion/diversification/modernisation other than incurring routine capital expenditure;
(n) During the currency of the said facilities, our Company shall not without the prior permission in writing of the Lead Bank make any corporate investments or investment by way of share capital or debentures or lend or advance funds to or place deposits with, any other person except give normal trade credits or place on security deposits in the normal course of business or make advances to employees;
(o) During the currency of the said facilities, our Company shall not without the prior permission in writing of the Lead Bank undertake guarantee obligations on behalf of any third party or any other company.
(p) The moneys brought in by principal shareholders/dictators/depositors/ other associate firms/group companies for financing the Programmes and the Working Capital needs of our Company will not be allowed to be withdrawn during the currency of the said facilities without the Lead Bank;
(q) Our Company shall not remove or dismantle any of the assets to be comprised in the said security without the consent in writing of the Lenders except in any case where such removal or dismantling shall in the opinion of our Company be rendered necessary by reason of the same being worn out, obsolete, discarded, injured, damaged or broken and in such a case our Company is required to replace those so worn out, obsolete, discarded, injured, damaged or broken by others of a similar nature and of at least equal value.

Other Covenants

(a) Our Company is required to maintain security margin as may be stipulated by the Lenders. Our Company is required to maintain a Current Asset cover of not less than 1.33 times the said facilities at any point of time. Our Company is required to is required to maintain a sufficient quantity of Securities to provide the asset cover as may be required by the Lenders at their discretion and our Company is required to provide the Lenders with additional securities in case of any deficiency and restore the Asset Cover to the original level or pay to the Lenders an equivalent amount in cash in the event of additional securities not being available.
(b) During the subsistence of the liability of our Company under or in respect of any of the said facilities, the Lenders without prejudice to their respective rights referred to in this Agreement shall have a right to appoint and/or remove, from time to time, a Director or Directors not exceeding two on the Board of Directors of our Company as nominee Directors to protect the interest of the lenders, subject however that the Director or Directors so appointed by the Lenders shall not be liable to retire by rotation and need not possess any share qualification prescribed the Articles of Association of our Company.

(c) Our Company agrees that in the event of any breach or default thereof, the Lenders shall be at liberty to call up the entire outstandings under the Cash Credit Account(s) or Other Account(s) and make it payable forthwith. Without prejudice to the aforesaid and in addition thereto, rhw Lenders shall be at liberty to freeze the operations in the said Cash Credit Account(s) or other Account(s) at their discretion. In the event of our Company persisting in its default, the Lenders shall be entitled to charge, without prejudice to its other rights as aforesaid and without giving any notice in that regard a higher rate of 2 (two) percent over and above the agreed/stipulate rate of interest or as may be laid down by the RBI from time to time.

Additional Negative Covenants stipulated by the State Bank of India in the sanction letter dated July 24, 2010

(a) Our Company shall not change the practice with regard to remuneration of directors by means of ordinary remuneration or commission, scale of sitting fees, etc.
(b) Undertake any trading activity other than the sale of products arising out of its own manufacturing operations.
(c) Permit any transfer of the controlling interest or make any drastic change in the management set-up.
(d) All unsecured loans/deposits raised by our Company for financing a project are always subordinate to the loans of the banks/financial institutions and should be permitted to be repaid only with the prior approval of all the Banks and financial institutions concerned.

Additional Negative Covenants stipulated by Corporation Bank Limited in the sanction letter dated September 7, 2010.

(a) Our Company shall not divert working capital funds for payment of installments under term loans, meeting cost of acquisition of additional fixed assets etc.
(b) Our Company shall not transfer / invest funds of the Company in whatsoever manner in any other concern without obtaining prior consent.
(c) During the currency of the credit facilities, our Company will not, without prior permission in writing, enter into borrowing arrangement either secured or unsecured with any other Bank, financial institution, company, firm or persons or create any further charge, lien or encumbrance over the assets and properties of the Company, which are to be charged to Corporation Bank, in favour of any other Bank, financial institutions, Company, firm or person.
(d) During the currency of the credit facilities, our Company will not, without prior permission in writing, sell, assign, mortgage or otherwise dispose off any of the fixed assets charged to Corporation Bank**.**

(A) Joint Deed of Hypothecation dated July 26, 2010

Our Company has executed the Joint Deed of Hypothecation in favour of State Bank of India and The Shamrao Vithal Co-operative Bank Limited which has the effect of hypothecating our Company's current assets, namely, the stock of raw materials, semi- finished and finished goods, stores and spares not relating to plant and machinery (consumable stores and spares), bills receivable and book debts and all other movables (excluding such movables as are permitted by the Lenders from time to time) but including documents of title to goods and other assets, such as outstanding monies, receivables including receivables by way of cash assistance and/or cash, including under the Cash Investment Scheme or any other scheme, claims including claims by way of refund of customs/excise duties under the Duty Drawback Credit Scheme or any other Scheme, bills, invoices, documents, contracts, engagements, securities, investments and rights, both present and future, pertaining to our Company's division at Mahad and Pune being and lying in our Company's premises or godowns of or rented and whether lying loose or in cases or otherwise used in the business of our Company.

Negative Covenants

1. Our Company agrees that it will not compound or release any of the said book debts nor do anything whereby the recovery of the same may be impeded, delayed or prevented without the consent of the lenders and further agrees to keep proper books of account of its businesses and will at all times as and when required produce such books of account and all vouchers, papers and documents relating thereto for the inspection of the lenders and any of its officers or agents and allow free access to them without any demur.
2. Our Company shall not create or suffer any mortgage, charge, lien, or encumbrance to affect the same or any part thereof nor do or allow anything to be done that may prejudice the security of the lenders created hereunder.

3. Our Company shall not remove or dismantle any of the hypothecated assets without the consent in writing of the Lenders except in any case where such removal or dismantling shall in the opinion of our Company be rendered necessary by reason of the same being worn out, obsolete, discarded, injured, damaged or broken and in such case will replace those so worn out, obsolete, discarded, injured, damaged or broken by others of a similar nature and of at least equal value and shall also whenever necessary renew or replace all such assets to be used for the purpose of in connection with the business of our Company when and as the same shall be worn out, obsolete, discarded, injured, damaged or broken.
4. Our Company will not without the written consent of the lenders first had and obtained make or suffer nor attempt to make or suffer any mortgage, charge, lien or encumbrance to affect the same or any part thereof nor do or allow anything which may prejudice the security hereby created or agreed to be created nor create any security whatsoever save as approved by the lenders.
5. No payments into or drawing out of any of the said accounts or any transactions, dealings, agreements or arrangements whatsoever in connection with any of the said accounts shall affect the state of the other accounts or any transaction, dealing, agreement or arrangement in connection therewith.

(B) Memorandum of Deposit for creation of Charge for Term Loan / Over all limit

Our Comany agreed to provide security by creation of a charge in favour of the Consortium, on Plot No. K4/1, in the Additional. MIDC Industrial Area, within the village limits of Kalij, Taluka and Registration Sub-District Mahad and Registration district Raigad ("Premises") which has been leased to us by the Maharashtra Industrial Development Corporation ("MIDC") and is in possession of our Company as the lessor. The MIDC and our Company have entered into an Agreements dated December 30, 2010 with State Bank of India (acting on behalf of Corporation Bank Limited and IDBI Bank Limited) whereby MIDC has granted permission to our Company to mortgage the Premises in favour of the Consortium**.** Subsequently, our Company entered into a Memorandum of Deposit dated February 26, 2011 with the Lead Bank whereby we have deposited the title deeds to the Lead Bank, relating to the abovementioned property at Mahad.

Furthermore, by the abovementioned Memorandum of Deposit dated February 26, 2011, our Company has deposited the title deeds to the Lead Bank, in relation to the land owned by our Company, bearing Gut No. 123 (Old Gut No. 120), Gut No.122, and Gut No. 97 (Old Gut No.94), situated at Village Pirangut and within the limits of Grampanchayat of Pirangut, Taluka and Sub-District Mulshi, District and Registration District Pune.

(C) Personal Guarantee for Aanjaneya Lifecare Limited in favour of the SBI Consortium dated July 26, 2010

The personal guarantee has been provided by Dr. Kannan K. Vishwanath, in favour of State Bank of India, which is the lead bank as per the Working Capital Consortium Agreement dated July 26, 2010, to repay them the principal sum of ₹ 11507 lacs together with interests, costs, charges, expenses and/or other monies due to the lead bank in respect of or under the abovementioned credit facilities or any of them on demand by the lead bank.

Key Covenants

1. The Guarantee contained herein shall be enforceable against the Guarantor notwithstanding the fact that the Lead Bank may have obtained or may obtain any other security from our Company or any other person shall at the time when the proceedings are taken against the Guarantor hereunder be outstanding and/or not enforced and/or remain unutilized.
2. In order to give effect to the Guarantor herein contained the lead bank shall be entitled to act as if the Guarantor were principal debtors to the Lead Bank for all payments guaranteed by them as aforesaid to the Lead Bank.
3. The Guarantee is a continuing one for all amounts advanced by the Lead Bank to our Company in respect of or under the abovementioned credit facilities as also for all interests, costs and other money which may from time to time become due and remain unpaid to the Lead Bank there under and shall not be determined or in any way be affected by any other account or accounts opened or to be opened by the Lead Bank becoming nil or coming into credit at any time or from time to time or by reason of the said account or accounts being closed and fresh account or accounts being closed and fresh account or accounts being opened in respect of fresh facilities being granted within the overall limit sanctioned to our Company.

4. The Guarantee contained herein shall not be determined or in any way prejudiced by any absorption of or by Lead Bank or by any amalgamation thereof or therewith but shall ensure and be available for and by the absorbing or amalgamated lead Bank or concern.
5. The Guarantee shall be irrevocable and enforceable against the Guarantor notwithstanding any dispute between the Lead Bank and our Company.
6. The Guarantee hereby given is independent and distinct from any security that the Lead Bank has taken or may take in any manner whatsoever whether it be by way of hypothecation, pledge and/or mortgage and/or any charge over goods, movable or other assets and/or any other property, movable or immovable, and that the Guarantor have not given this guarantee upon any understanding, faith or belief that the Lead Bank has taken and/or may hereafter take any or other such security and that notwithstanding the provisions of Sections 140 and 141 of the Indian Contract Act, 1872 or other Section of that Act or any other law, the Guarantor will not claim to be discharged to any extent because of the Lead Bank's failure to take any or other such security or in requiring or obtaining any or other such security or losing for any reason whatsoever including reasons attributable to its default and negligence benefit of any or other such security or any of the rights or any other such security that have been or could have been taken.

(D) Corporate Guarantee and Security for Aanjaneya Lifecare Limited in favour of the SBI Consortium dated November 22, 2010

The Corporate Guarantee has been issued by Prophyla Biologicals Private Limited ("Prophyla") in favour of the SBI Consortium for the payment of all liabilities, Bills and Promissory Notes (whether made incurred or discounted before or after the date of the Agreement of Guarantee) present, future or contingent, any / all charges, costs expenses, including legal costs and all such duties, taxes, insurance premia and other expenses due to the consortium in respect of or under any or all sanctioned credit facilities mentioned above. Further, Prophyla Biologicals Private Limited provided security by creation of a charge in favour of the Consortium, on Plot No. W-91(D), W-92(D) and W-93(D) at Taloja, Industrial Area, within the village limits of Tondare and outside the limits of Municipal Council in rural area, Taluka and Registration Sub-district Panvel District and Registration district Raigad (Premises) which has been leased to Prophyla Biologicals Private Limited by the Maharashtra Industrial Development Corporation ("MIDC") and is in possession of Prophyla Biologicals Limited. The MIDC and Prophyla Biologicals Private Limited have entered into two Agreements both dated February 10, 2011 with the Consortium whereby MIDC has granted permission to Prophyla to mortgage the Premises in favour of the Consortium. Subsequently, Prophyla entered into a Memorandum of Deposit dated February 26, 2011 with the Lead Bank whereby it has deposited the title deeds to the Lead Bank, relating to the abovementioned property at Taloja.

II] Loan Agreement dated October 1, 2010 between our Company and IDBI Bank Limited for a Term Loan of ₹ 1800 Lakh***

Name of the Lender	Amount Sanctioned (₹ in lacs)	Amount outstanding as on March 31, 2011 (₹ In lacs)	Interest (%)	Tenure	Repayment schedule	Security
IDBI Bank Limited	1800 Lakhs	1800.00	13% per annum (Bank Base Rate (BBR)+500 bps p.a)	5 years and six months	60 equated monthly instalments, commencing 6 months after the first disbursement.	Please Refer to Note 1 below.

*** The Rupee Term Loan for ₹ 1800 Lakhs availed by our Company from IDBI Bank Limited was as per the terms of the Loan Agreement dated October 1, 2010 entered into with IDBI Bank Limited. Subsequently, by a Second Supplemental Working Capital Consortium dated November 22, 2010, IDBI Bank Limited was inducted into the Consortium. Registration of Charge has occurred both under the Agreement dated October 1, 2010 and the Agreement dated November 22, 2010 which is reflected on the index of charges of the Registrar of Companies. Therefore, we have communicated to IDBI Bank Limited *vide* our letter dated December 07, 2010 requesting them to issue us a No Objection Certificate for the exclusion of the term loan of ₹ 1,800 Lacs from the Consortium, we have made further communication to IDBI Bank

Limited altering our request seeking release of the charge created under the Agreement dated October 1, 2010 and also to rescind and terminate the Agreement and any other document relating to the said loan of ₹ 1,800 Lcs outside of the Consortium.

Note 1

A first mortgage and charge in favour of the Lender, all the Borrower's entire assets, both present and future

A first charge by way of hypothecation in favour of the Lender of the Borrower's entire movables, including movable machinery, machinery spares, tools and accessories, present and future, subject to prior charges created and / or to be created in favour of the Borrower's Bankers on the Borrower's stocks or raw materials, semi-finished and finished goods, consumable stores and such other movables as may be agreed to by the Lender for securing the borrowings for working capital requirements in the ordinary course of business and

A second pari passu charge by way of hypothecation on the Borrower's entire current assets namely, stocks of raw materials; semi-finished and finished goods, consumable stores and other current assets, both present and future.

Negative Covenants

Our Company shall not, without prior consent of the Lender, during the currency of the Agreement, create in favour of any other person any charge on the assets, which are charged / agreed to be charged in favour of the Lender.

Our Company undertakes that the loan shall not be utilised for any purpose other than for which it is sanctioned and, in particular (including but not limited to), it shall not be utilised for any of the following purposes:

i. subscription to or purchase of shares/ debentures and investment in real estate,
ii. repayment of dues of promoters/associate concerns/inter corporate deposits etc
iii. for extending loans/facilities to subsidiary or associate companies or for making any inter-corporate deposits and
iv. for any speculative purposes

Without the prior written approval of the Lender, our Company shall not,

i. undertake any new project, diversification or modernisation.
ii. issue any debentures, raise any loans, accept deposits from public, issue equity or preference capital, change in capital structure or create any charge on its assets or give any guarantees.
iii. pay any commission to its promoters, directors, managers, or other persons for furnishing guarantees, counter guarantees or indemnities or for undertaking any other liability in connection with any financial assistance obtained for or by the Borrower or in connection with any other obligation undertaken for or by the Borrower.
iv. create any subsidiary or permit any company to become its subsidiary
v. undertake or permit any merger, consolidation, re-organisation, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction.
vi. declare or pay dividend to its shareholders so long as our Company is in default to the Lender under the loan agreement and is not in compliance with stipulated financial covenants.
vii. make any investment by way of deposits, loans or in share capital of any other concerns (including subsidiaries) beyond projected and accepted level by the Lender so long as any money remains due to the Lender; our Company will however be free to deposit funds by way of security with third party in the normal course of business or if required for the business.
viii. revalue its assets at any time during the currency of the loan.

Other Covenants

1. Our Company shall and when required by the Lender, appoint and change to the satisfaction of the Lender, the managing director, whole time director, suitable technical, financial and executive staff of proper qualifications and experience for the key posts. The terms of such appointments, including any changes therein, shall be subject to prior approval of the Lender.

2. Lender shall have the right to appoint, whenever they consider necessary, any person, firm, company or association of persons engaged in technical, management or any other consultancy business to inspect and examine the working of our Company and its factory and to report to the Lender. The Lender shall have the right to appoint, whenever they consider necessary, any Chartered Accountants/Cost Accountants as auditors for carrying out any specific assignments or to examine the financial or cost accounting system and procedures adopted by our Company for our working or as current or for conducting a special audit of us. The costs, charges and expenses including professional fees and travelling and other expenses of such consultants or auditors shall be payable by our Company.

3. Our Company shall constitute such committees of the Board with such composition and functions as may be required by the Lender for close monitoring of different aspects of its working.

4. The Lenders shall have the right to appoint and remove from time to time a Nominee Director who shall not be required to hold qualification shares and not be liable to retire by rotation and shall be entitled to all the rights and privileges of other directors.

5. If our Company continues to be in default for a period of thirty (30) days or more from due date of instalments of principal amounts of the Loan or interest thereon or any combination thereof, then, the Lender shall have the right to convert at their option the whole or a part of the outstanding amount of the loan into fully paid up equity shares of our Company after providing prior written notice to us.

(A) Deed of Hypothecation dated October 1, 2010

Our Company entered into a Deed of Hypothecation dated October 1, 2010 with IDBI Bank Limited whereby, the whole of the movable properties of the Company including plant and machinery, machinery spares, tools and accessories and movables both present and future whether installed or not and whether now lying loose or in cases or which or which are now lying or stored, be brought into or upon or be stored or be in or about all the Company’s offices, factories, premises and godowns or wherever else the same may be or be held by any party to the order or disposition of the Borrower or in the course of transit or on high seas or on order or delivery are hypothecated as and by way of first charge to the Lender as security for repayment of the Loan.

(B) Personal Guarantee by Dr. Kannan K. Vishwanath in favour of the IDBI Bank Limited dated October 01, 2010 for Aanjaneya Lifecare Limited and Corporate Guarantee of Prophyla Biologicals Pvt. Ltd. for Aanjaneya Lifecare Limited in favour of IDBI Bank Limited dated October 04, 2010

Key Covenants

1. In the event of any default on the part of the Borrower in payment / repayment of any of the monies mentioned in the Loan Agreement dated October 1, 2010 mentioned above, or in the event of any default on the part of the Borrower to comply with or perform any of the terms, conditions and covenants contained in the said Loan Agreement, the Guarantor shall, upon demand, forthwith pay to the lender without demur all the amounts payable by the Borrower under the said Loan Agreement.

2. The Guarantor shall indemnify and keep indemnified the Lenders against all losses, damages, costs, claims and expenses whatsoever which the Lender may suffer, pay or incur by reason of or in connection with any default on the part of the Borrower including legal proceedings taken against the Borrower and / or the Guarantor for recovery of the moneys.

3. The Guarantor agrees that the liability under this Guarantee shall in no manner be affected by any variations, alterations, modifications, waiver, dispensation with or release of security, and that no further consent of the Guarantor is requires for giving effect to any such variation, alteration, modification, waiver, dispensation with, or release of the security.

4. The Guarantee shall be enforceable against the Guarantor notwithstanding that any security or securities comprised in any instruments executed or to be executed by the Borrower in favour of the Lender shall, at the time when the proceedings are taken against the Guarantor on this Guarantee, be outstanding or unrealized or lost.

5. The rights of the Lender against the Guarantor shall remain in full force and effect notwithstanding any arrangement which may be reached between the Lender and the other Guarantor, if any or notwithstanding the release of that other or others from liability and notwithstanding that any time hereafter the other guarantor may cease for any reason whatsoever to be liable to the lender, the Lender shall be at liberty to require the performance by any of the Guarantor of their obligations hereunder to the same extent in all respects as if the Guarantee and all times been solely liable to perform the said obligations.

6. To give effect to this Guarantee, the Lender may act as though the Guarantor were the principal debtor to the Lender.

7. The Guarantor agrees that they have not received and shall not, without the prior consent in writing of the Lender receive any security or commission from the Borrower for giving the Guarantee so long as any monies remain due and payable by the Borrower to the lender.

   The Guarantee shall be a continuing one and shall remain in full force and effect till such time the Borrower repays in full the Loan together with all interest, liquidated damages, costs, charges and all other monies including any increase as a result of devaluation revaluation / fluctuation in the rates of exchange of foreign currencies involved that may from time to time become due and payable by the Borrower to the Lender.

III] Agreement and undertaking both dated March 19, 2011 between our Company and Allahabad Bank for cash credit and / or over draft account facility up to ₹ 1,000 Lacs

Name of the Lender	**Amount Sanctioned (₹ in lacs)**	**Amount outstanding as on March 31, 2011 (₹ In lacs)**	**Interest (%)**	**Tenure**	**Repayment schedule**	**Security**
Allahabad Bank	1000 Lakhs	990.17	13.00% p.a (Bank Rate+3.5%)	One year	On demand	Please Refer to Note 1 below.

Note 1

First pari passu charge with the Consortium of all the present and future products, goods and stocks of and other materials whether raw or manufactured or in process of manufacture and other stocks of medicine and other related items and stores which now or hereafter from time to time during this security shall be brought in stored or be in or about the Company's premises or godowns in th state of or wherever else the same may be whether in possession of the Copmany or of any third party including all such products, goods and property as may be in course of transit by ship, rail or otherwise or awaiting transit by ship, rail or otherwise.

First paripassu charge on all present and future book debts outstanding monies receivable claims, bills, contracts, engagements, securities, investments, cash in hand and at Banks, rights and assets whether forming the subject of any delivery order document of title negotiable instrument, policy of insurance or other merchantile document in favour of the Company or any third party

Second paripassu charge with existing working capital lenders over the fixed assets of the company such as movable property of any kind of the Company including all movable plant, engines and machinery apparatus, tools, moto lorries and cars, furniture together with the benefit of all rights relating there to for the purpose.

Our Company has executed a demand promissory note for ₹ 1000 Lakhs in favour of Allahabad Bank as security for the due payment of any sum under the facility.

Note: Our Company has written to each of the members of the Consortium on April 02, 2011 informing them that our Company has availed certain facilities from Allahabad Bank and requesting the Consortium to give a no objection certificate to induct Allahabad Bank into the Consortium and to offer them a pari passu charge on the fixed and current assets.

Key Covenants

1. Our Company undetakes that no change in the management of the Company involving transfer of ownership will be done without prior written permission from the Bank
2. Our Company will not diversify the business without bank's prior written consent and also will not make any financial arrangement with any other bank without prior written consent.
3. Our Company will not distribute dividend without bank's prior permission
4. Our Company undertakes that the directors are not related to any senior executive of the bank and company will furnish annually undertaking immediately after end of each financial of the Company.
5. Our Company has undertaken that no further investment will be made in subsidiary / associates concerns by way of loans and advances or investments in shares without prior written permission. We have further undertaken to arrange for NOC as well as paripassu letter from existing charge holders, for our charge on current assets and fixed assets.
6. Our Company has agreed that we will route our entire banking business including foreign exchange / insurance, if any, and deposits through Allahabad Bank. Also, in the event our Company goes for a public issue / rights issue, Allahabad Bank must be given the related merchant banking business.
7. The credit facilities granted will be subject to RBI guidelines/Bank's policies from time to time. During the currency of the Bank's facilities, our Company will not without the permission of the bank in writing:
   i. Invest by way of share capital in or lend or advance funds to place deposits with any other concerns, except in normal course of business or as advances to employees.
   ii. Undertake guarantee obligations on behalf of any other Company or any third party except in normal course of its business.
   iii. Formulate any scheme of amalgamation with any other company / third party or any reconstitution.
   iv. Withdraw monies brought in by key Directors.
   v. Implement any scheme of expansion or acquire fixed assets of substantial value.
   vi. Effect any change in the management and capital structure.
   vii. Enter into borrowing arrangement either secured or unsecured with any other bank or financial institutions, company or otherwise.
   viii. Grant loans to Promoters / associates and other companies.

8. The Company declares that all charged goods and the book debts are the absolute property of, at the sole disposal of the Company and free from any prior charge or encumbrance and undertakes that all future property shall likewise be the unencumbered absolute and disposable property of the Company.

9. The Company undertakes that it shall not induct any person as its director who is a director on the board of a company which has been identified as a willfull defaulter.

10. Our Company shall ensure end-use of the loan/advance funds and such funds shall not be utilized for any other purpose than the purpose for which loans/advance is obtained and the funds shall not be diverted / siphoned for any other purpose or to any other concern or sistern concern.

UNSECURED LOANS

As on January 31, 2011 our Company has unsecured loans amounting to ₹ 663.37 lacs from our Directors, shareholders and others, which is repayable on demand, of which ₹ 402.12 lacs is outstanding from Dr. Kannan K Vishwanath (our Promoter Director).

For further details, on unsecured loans availed during the year, repayment of the unsecured loans availed and the outstanding amount of unsecured loans, please refer *'Annexure 9'* '*Statement of Unsecured Loans*' and '*Annexure 17*' *"Details of Related Party Transactions"* beginning on page 211 and 221 under the chapter *'Auditors' Report and Financial Information of Our Company'* beginning on page 192 of the Red Herring Prospectus**.**

SECTION VI - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS, MATERIAL DEVELOPMENTS AND OTHER DISCLOSURES

Except as described below, there are no outstanding litigations, suits, civil or criminal proceedings including those for economic offences, show cause notices or legal notices pending against our Company, our Directors, our Promoters and our Promoter Group Entities before any judicial, quasi-judicial, arbitral or administrative tribunals or any disputes, tax liabilities, non payment of statutory dues, overdues to banks/ financial institutions, defaults against banks/ financial institutions, defaults in dues towards instrument holders like debenture holders, fixed deposits, defaults in creation of full security as per terms of issue/ other liabilities, proceedings initiated for economic/civil/ any other offences (including past cases where penalties may or may not have been imposed and irrespective of whether they are specified under paragraph (i) of Part 1 of Schedule XIII of the Companies Act) against our Company, our Directors, our Promoters and our Promoter Group Entities other than unclaimed liabilities of our Company except as stated below and no disciplinary action has been taken by SEBI or any stock exchange against our Company, our Directors, our Promoters, our Promoter Group Entities.

Neither our Company, our Promoters, our Directors, our Group Entities were associated in the past (in case our Promoters name continues to be associated with the particular litigation) have been prohibited or debarred from accessing the capital market by the SEBI or have been declared as willful defaulters by the RBI, or any other Governmental authority and, except as disclosed in this section in relation to litigation, there are no violations of securities laws committed by them in the past or pending against them. Also none of our Promoters or Directors was or is a promoter, director or person in control of any other company that is debarred from accessing the capital market under any order or directions made by SEBI.

This chapter has been divided into eight parts:

1. Contingent Liability

2. Outstanding litigations involving our Company

3. Outstanding litigations involving our Promoters

4. Outstanding litigations involving our Directors

5. Outstanding litigations involving our Promoter Group Entities

6. Penalties imposed in past cases for the last five years

a) Our Company
b) Our Directors and Promoters
c) Promoter Group Entities

7. Delay / Non Compliances with Regulatory Authorities

8. Amounts owed to small scale undertakings

9. Material Developments

1. CONTINGENT LIABILITY - NIL

2. OUTSTANDING LITIGATIONS INVOLVING OUR COMPANY

a) Cases filed against our Company –

i. **Suit No. 3095 of 2010 filed by J. B. Chemicals & Pharmaceuticals Limited against our Company for infringement of its registered trademark "DOKTOR MOM" under the Trademarks Act, 1999.**

J. B. Chemicals & Pharmaceuticals Limited ("J. B. Chemicals") has filed a suit (Suit No. 3095 of 2010) on November 23, 2010 against Our Company before the Hon'ble High Court of Judicature at Bombay for infringement of its registered trademark "DOKTOR MOM" under Class 5 of the Trademarks Act, 1999 and for other reliefs. J. B. Chemicals has also taken out interim application being Notice of Motion No. 3489 of 2010 for grant of ad-interim relief and Letters Patent Leave Petition no. 903 of 2010 to combine the cause of action for passing off with the cause of action for infringement of trade mark, against our Company in this Suit on November 23, 2010.

Our Company has filed its reply to the notice of motion and inter alia submitted that the prefix "DOCTOR" is a generic word and no trader / manufacturer can claim monopoly over such a word, especially when used for medicines / medicinal preparations. Our Company has also submitted that the suffix "QURE" was adopted by our Company's predecessors in title one Prophalya Biologicals Private Limited. The combination of "DOKTOR" and "QURE" is made to rejuvenate that their products / medicine cures a person in a similar manner as the doctor does. As of now, no adverse orders have been passed by the Hon'ble High Court of Judicature at Bombay against our Company. The next date of hearing is March 8, 2011.

ii. **Opposition No. 762781 filed by Amira Foods (India) Ltd., against trademark application no.1729232 filed by our Company.**

Amira Foods (India) Ltd, has filed the aforesaid opposition dated June 18, 2010 opposing registration of our trademark "ADDING GOOD HEALTH TO LIFE" published under application no. 1729232 in class 29 in the Trademark Journal No. 1434-0 dated February 16, 2010 on page 2238, which they allege is deceptively and similar to the trademark "GOOD HEALTH " registered by Amira Foods (India) Ltd, under no.1086168 in the class 30. The opposition is pending before the Trademark Registry, Mumbai.

iii. **Opposition No. 762780 filed by Amira Foods (India) Ltd., against trademark application no.1729233 filed by our Company.**

Amira Foods (India) Ltd, has filed the aforesaid opposition dated June 18, 2010 opposing registration of our trademark "ADDING GOOD HEALTH TO LIFE" published under application no. 1729233 in class 30 in the Trademark Journal No. 1434-0 dated February 16, 2010 on page 2368, which they allege is deceptively and similar to the trademark "GOOD HEALTH " registered by Amira Foods (India) Ltd, under no.1086168 in the class 30. The opposition is pending before the Trademark Registry, Mumbai.

Potential Litigation

i. **Letter dated August 20, 2010 from Mr. Jeevan A Patil, Advocate, High Court on behalf of Mr. Umesh P Sawant.**

Our Company has received a letter dated August 20, 2010 received by our Company from Mr. Jeevan A Patil, Advocate, High Court on behalf of his client, Mr. Umesh P Sawant, our ex-employee ("ex-employee"). The letter has also been sent to the Registrar of Companies, Pune/Maharashtra, Food and Drugs Association, Pune and to the Factory Inspector, Pune. It is stated that our ex-employee was appointed vide appointment letter dated March 11, 2010 at our plant at Pirangut, Pune and subsequently his services were terminated with immediate effect vide termination letter dated May 31,

2010. Our Company has mentioned in the termination letter that the termination is a result of the position of our ex-employee having become redundant and in no way does it reflects his performance in the job. The letter mentions that the termination will result in the suspension of registration/licence of our Company and legal action under Section 420 of the Criminal Procedure Code, 1973 will be attracted and also it amounts to mental agony under the Consumer Protection Act.

Our Company vide its letter dated September 29, 2010 has denied all allegations and has mentioned that the termination was in the course of our ex-employees probation. There is no further correspondence in the matter. Our Company apprehends that this may give rise to litigation.

iv. Letter dated March 03, 2011 from the Deputy Director of Income Tax (Investigation), Unit-II (4), addressed to our Company.

Our Company has received summons under Section 131 of the Income Tax Act, 1961 vide a letter dated March 03, 2011 bearing Ref No. DDIT (Inv.)/Unit-II (4)/Enq/2010-11 requesting the Company to appear before the Deputy Director of Income Tax (Investigation), Unit-II (4), along with the following documents i) audited balance sheet of the Company for the last two years ii) details of purchase of the Company for the last two years and current year for ₹ 5 Lakhs and above and iii) details of unsecured loans for the last two years and current year.

By our letter dated March 09, 2011, addressed to the Deputy Director of Income Tax,Mumbai, received on March 11, 2011 we have submitted the abovementioned documents. There are no further communications on this matter.

II. Cases filed by our Company - NIL

3. OUTSTANDING LITIGATIONS INVOLVING OUR PROMOTERS

a) Cases filed against our Promoters - NIL

b) Cases filed by our Promoters - NIL

4. OUTSTANDING LITIGATIONS INVOLVING OUR DIRECTORS

a) Cases filed against our Directors - NIL

b) Cases filed by our Directors - NIL

5. OUTSTANDING LITIGATIONS INVOLVING OUR PROMOTER GROUP ENTITIES

a) Cases filed against our Promoter Group Entities - NIL

b) Cases filed by our Promoter Group Entities - NIL

6. PENALTIES IMPOSED IN PAST CASES FOR THE LAST FIVE YEARS

a) Our Company and its Subsidiary - NIL

b) Our Directors and Promoters - NIL

c) Promoter Group Entities – NIL

7. DELAY / NON COMPLIANCES WITH REGULATORY AUTHORITIES

Our Company

Our Company has duly and timely complied with all the provisions of the Companies Act, 1956 since incorporation till date, except the following:

Details of Non-compliance under the Companies Act, 1956

Sr. No.	Particulars
1.	Appointment of Whole-time Company Secretary pursuant to Section 383A of the Companies Act, 1956 in the Financial Year 2007-08.
2.	Appointment of Whole-time Company Secretary pursuant to Section 383A of the Companies Act, 1956 in the Financial Year 2008-09.

The reason for such non compliance was that, inspite of having made various efforts including informing Institute of Company Secretaries by a letter dated August 18, 2009, of a vacancy for the post of Company Secretary, our Company did not find a suitable candidate to fill the vacancy. The penalty for such non compliance of Section 383A of the Companies Act 1956 is to the extent of ₹ 500 for each day during the continuation of the delay.

Subsequently, our Company has appointed a Company Secretary and hence is in compliance with the Act.

Further, our Company has delayed in complying with certain RoC filings since incorporation till the date of filing of the Red Herring Prospectus. The following table depicts the details of such delay:

Particulars	Due Date of Filing with MCA/ROC	Actual Filing Date with MCA/ROC
Form 23 for registration of resolution passed at the EGM dated 17-02-2007 for Alteration of the Articles of Association of the Company u/s 31 of the Companies Act, 1956 pursuant to change of name from Aanjaneya Biotech Private Limited to Aanjaneya Biotech Private Limited.	16-03-2007	31-08-2010
Form 23AC and Form 23ACA for filing Balance Sheet, other documents and Profit & Loss account of the Company pursuant to Section 220 of the Companies Act, 1956 for the year ended 31-03-2007 as the AGM of the Company was conducted on 21-06-2007.	20-07-2007	07-08-2008
Form 20B for filing Annual Return pursuant to Section 159 of the Companies Act, 1956 for the year ended 31-03-2007 as the AGM of the Company was conducted on 21-06-2007.	20-08-2007	07-08-2008
Form 2 for allotment of 19,90,000 equity shares of ₹ 10/- each on 29-02-2008.	28-03-2008	13-05-2008
Form 32 of Dr. Kannan K. Vishwanath for change in designation to Executive Director w.e.f. 01-06-2008.	30-06-2008	03-05-2010
Form 66 for submission of Compliance Certificate pursuant to Section 383A of the Companies Act, 1956 and rule 3(2) of the Companies (Compliance Certificate) Rules, 2001 of the Financial Year 2007-08 as the AGM of the said F.Y. was conducted on 11-07-2008.	10-08-2008	13-07-2010
Form 32 of Mr. Kashi Vishwanathan for change in designation to Executive Chairman w.e.f. 11-07-2008.	10-08-2008	27-04-2010
Form 25C for return of appointment of whole-time Director, Mr. Kashi Vishwanathan of the Company w.e.f. 11-07-2008.	10-10-2008	02-07-2010
Form 32 for appointment of Mr. Shashikant B. Shinde as additional Director w.e.f. 01-10-2009.	31-10-2009	13-11-2009
Form 2 for allotment of 8,26,667 equity shares of ₹ 10/- each at a premium of ₹ 260 per share on 23-03-2010.	22-04-2010	27-04-2010

Form 32 of resignation of Mr. Arturo Agusto Kibble w.e.f. 31-03-2010.	30-04-2010	03-05-2010
Form 32 for resignation of Mr. Dharmpal C. Badade w.e.f. 20-04-2010.	19-05-2010	07-06-2010
Form 32 for Appointment of Mr. Shashikant B. Shinde as additional Director w.e.f. 15-05-2010.	14-06-2010	31-08-2010
Form 23 for registration of special resolutions passed at the extra-ordinary general meeting held on 11-08-2010: 1) Issue of 18,00,000 equity shares of ₹ 10/- each at premium of ₹ 260/- per share on preferential basis to existing shareholders as per Section 81(1A) of the Companies Act, 1956 in accordance with Unlisted Public Companies (Preferential Allotment) Rules, 2003. 2) Approval of Appointment of Mr. Shashikant B. Shinde as Whole-time Director of the Company for the terms of five years pursuant to the provisions of Section 198, 269, 309, 310, 311 & Schedule XIII and all other applicable provisions of the Companies Act, 1956.	10-09-2010	14-09-2010
Form 32 for change in designation of Mr. Shashikant B. Shinde from Executive Director to whole-time Director w.e.f. 11-08-2010	10-09-2010	14-09-2010

Our Corporate Promoter

Dr. Kannan K. Vishwanath was appointed as the Managing Director of our Corporate Promoter only on January 25, 2010. Further, the present Board of Directors of the Promoter Company consists of five members all of whom have been appointed pursuant January 25, 2010 which is subsequent to the acquisition of shares by Dr. Kannan K. Vishwanath. The following table therefore depicts the details of forms which our Corporate Promoter had delayed in filing since January 1, 2010:

Particulars	Due Date of Filing with MCA/ROC	Actual Filing Date with MCA/ROC
Form 32 for cessation of Mr. Vinayak G. Kudva, Mr. Deepak Shenoy and Mr. Santosh Kudva w.e.f. 25.01.2010.	25-02-2010	03-03-2010

The following table depicts the details of non compliances with the Companies Act, 1956 of our Corporate Promoter since the date of taking over the management rights by Dr. Kannan K. Vishwanath:

Sr. No.	Particulars
1.	Appointment of Whole-time Company Secretary pursuant to Section 383A of the Companies Act, 1956 in the Financial Year 2009-10
2.	Appointment of Whole-time Company Secretary pursuant to Section 383A of the Companies Act, 1956 in the Financial Year 2010-11, till July 31, 2010. (Ms. Smita Tambe - Whole-time Company Secretary was appointed with effect from 01/08/2010 in pursuant to Section 383A of the Companies Act, 1956)

The penalty for such non compliance of Section 383A of the Companies Act 1956 is to the extent of ₹ 500 for each day during the continuation of the delay.

Delay in Compliance with the Listing Agreement

The following are the delays/non compliances in complying with the listing agreement with the Delhi Stock Exchange, Uttar Pradesh Stock Exchange and Bombay Stock Exchange since January 01, 2010:

Bombay Stock Exchange ("BSE")

The BSE vide its letter dated October 27, 2010 informed our Corporate Promoter about the delay in certain compliances with the listing agreement up to the quarter ended June, 2010. Our Corporate Promoter however has timely complied with the listing agreement with the BSE since January, 2010 till the filing of the Red Herring Prospectus.

Delhi Stock Exchange ("DSE")

The DSE vide its letter dated September 15, 2010 informed our Corporate Promoter about certain non compliances with the listing agreement. Our Corporate Promoter vide its reply letter dated November 8, 2010 and November 9, 2010 submitted to the DSE the following documents in compliance of the listing agreement for the period beginning January, 2010:

Sr. No.	Particulars
1.	Secretarial Audit report for the quarter ended 31.03.2010, 30.06.2010, 30.09.2010.
2.	Quarterly results (clause 41) for the quarter ended 31.03.2010, 30.06.2010.
3.	RTA Certificate (clause 47c) for the half year ended 31.03.2010, 30.09.2010.
4.	Shareholding pattern (clause 35) for the quarter ended 31.03.2010, 30.06.2010, 30.09.2010.
5.	Corporate Governance report (clause 49) for the quarter ended 31.03.2010, 30.06.2010, 30.09.2010.
6.	Under regulation 8 (3) of SEBI (SAST) Regulation ,1997 for the period 31.03.2010, 30.09.2010
7.	Publication of unaudited quarterly results for the quarter ended 31.03.2010, 30.06.2010, 31.09.2010.
8.	Annual Report for the year ended 31.03.2010.
9.	Limited review report for the quarter ended 31.03.2010,30.06.2010
10.	Book Closure for the year 2010

Our Corporate Promoter had already expressed its intention to delist from the DSE vide its letter dated July 08, 2009 addressed to DSE. Further, the delisting is in process.

Uttar Pradesh Stock Exchange ("UPSE")

Our Corporate Promoter by a letter dated July 08, 2009 applied for delisting with the UPSE. Pursuant to which the UPSE vide its letter dated March 31, 2011 addressed to our Corporate Promoter has delisted the securities of our Corporate Promoter from UPSE.

However, during the process of delisting, our Corporate Promoter vide its letter dated November 8, 2010 and November 9, 2010 submitted to UPSE the following documents in compliance of the listing agreement for the period beginning January, 2010:

Sr. No.	Particulars
1.	Secretarial Audit report for the quarter ended 31.03.2010, 30.06.2010, 30.09.2010.
2.	Quarterly results (clause 41) for the quarter ended 31.03.2010, 30.06.2010.
3.	RTA Certificate (clause 47c) for the half year ended 31.03.2010, 30.09.2010.
4.	Shareholding pattern (clause 35) for the quarter ended 31.03.2010, 30.06.2010, 30.09.2010.
5.	Corporate Governance report (clause 49) for the quarter ended 31.03.2010, 30.06.2010, 30.09.2010.
6.	Under regulation 8 (3) of SEBI (SAST) Regulation ,1997 for the period 31.03.2010, 30.09.2010
7.	Publication of unaudited quarterly results for the quarter ended 31.03.2010, 30.06.2010, 31.09.2010.
8.	Annual Report for the year ended 31.03.2010.
9.	Limited Review Report for the quarter ended 31.03.2010,30.06.2010
10.	Book Closure for the year 2010

8. AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS

a) Outstanding due to Small Scale Industries - NIL

9. MATERIAL DEVELOPMENTS

In the opinion of the Board, other than as disclosed in the Notes to our Financial Statements in the chapter titled "*Auditor's Report and Financial Information of our Company*" beginning on page 192 and in the chapter titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations as reflected in the financial statements*" beginning on page 227 of the Red Herring Prospectus, there has not arisen, since the date of the last financial statements set out herein, any circumstance that materially or adversely affects our profitability taken as a whole or the value of our assets or our ability to pay our material liabilities over the next 12 months.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Except for pending approvals mentioned under this heading, our Company has received the necessary material consents, licenses, permissions and approvals from the Government and various Government agencies required for our present business and carrying on our business activities. Further, except as mentioned herein below, our Company has not yet applied for any licenses, consents, permissions and approvals for the proposed activities as contained in the chapter titled "*Objects of the Issue*" beginning on page 72 of the Red Herring Prospectus. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf.

I. GENERAL

1. Certificate of Incorporation issued to our Company under the name "Anjaneya Biotech Private Limited", dated January 03, 2006 bearing with 'CIN U24230MH2006PTC158589' issued by Assistant Registrar of Companies, Maharashtra, Mumbai.

2. Fresh Certificate of Incorporation issued pursuant to the change of name from "Anjaneya Biotech Private Limited" to "Aanjaneya Biotech Private Limited" dated March 08, 2007 with 'CIN U24230MH2006PTC158589' issued by the Deputy Registrar of Companies, Maharashtra, Mumbai.

3. Fresh Certificate of Incorporation issued pursuant to the change of name from "Anjaneya Biotech Private Limited" to "Aanjaneya Biotech Limited" dated April 12, 2010 with 'CIN U24230MH2006PLC158589' issued by the Deputy Registrar of Companies, Maharashtra, Mumbai.

4. Fresh Certificate of Incorporation issued pursuant to the change of name from "Aanjaneya Biotech Limited" to "Aanjaneya Lifecare Limited" dated June 19, 2010 with CIN U24240MH2006PLC158589 issued by the Assistant Registrar of Companies, Maharashtra, Mumbai.

5. Our Company's TIN (Taxpayer's Identification Number) under the MVAT and CST Act is 27060608978 with effect from May 19, 2007.

6. License to sell, stock, or exhibit [or offer] for sale, or distribute by wholesale, drugs other than those specified in [Schedules C, C (1) and X] to our Company by the Food and Drug Administration, Maharashtra State under the hand of the Licensing Authority, Assistant Commission, Zone VGr. Mumbai, Food and Drug Administration bearing license No. Z-5/71/1346 dated June 17, 2008 which is valid from June 17, 2008 to June 16, 2013.

7. License to sell, stock, or exhibit [or offer] for sale, or distribute by wholesale, drugs other than those specified in [Schedules C, C (1) and X] to our Company by the Food and Drug Administration, Maharashtra State under the hand of the Licensing Authority, Assistant Commission, Zone VGr. Mumbai, Food and Drug Administration bearing license No. Z-5/71/1531 dated August 11, 2010 which is valid from June 19, 2010 to June 18, 2015.

8. License to sell, stock, or exhibit [or offer] for sale, or distribute by wholesale, drugs specified in Schedules C and C (1) but excluding those specified in Sch. X] to our Company by the Food and Drug Administration, Maharashtra State under the hand of the Licensing Authority, Assistant Commission, Zone VGr. Mumbai, Food and Drug Administration bearing license No. Z-5/71/1331 dated June 17, 2008 which is valid from June 17, 2008 to June 16, 2013.

9. License to sell, stock, or exhibit [or offer] for sale, or distribute by wholesale, drugs specified in Schedules C and C (1) but excluding those specified in Sch. X] to our Company by the Food and Drug Administration, Maharashtra State under the hand of the Licensing Authority, Assistant Commission, Zone VGr. Mumbai, Food and Drug Administration bearing license No. Z-5/71/1516 dated August 11, 2010 which is valid from June 19, 2010 to June 18, 2015.

10. Our Company's STC (Service Tax payer Code) under Service Tax (Registration of Special Category of Persons) Rules, 2005 bearing number AAGCA0851LST001 issued by Central Excise Officer, office of the assistant/ deputy commissioner of service tax, division v, Mumbai dated June 04, 2008.

11. Our Company's PAN (Permanent Account Number) under the IT Act is AAGCA0851L.

12. Our Company's TAN (Tax Deduction Account Number) under the IT Act is MUMA30405E.

13. Registration Certificate of Establishment under Bombay Shops and Establishments Act, 1948 dated June 26, 2008, for our office premises at Plot No. 34, Postal Colony, Chembur, Mumbai – 400 071 bearing registration no. 760057410/Commercial II Ward MW issued by the Inspector under the Bombay Shops and Establishments Act, 1948, valid upto December 31, 2013.

14. Certificate of Importer-Exporter Code bearing No. 0306079551 issued on February 12, 2007 to our Company by Ministry of Commerce, office of Joint Director General of Foreign Trade, Mumbai under the hand of Foreign Trade Development Officer *vide* certificate dated August 5, 2010.

15. Our Company has been granted the Certificate of recognition bearing Status Holder no. 03/14/ZA-0571/110104 as an export house by the Zonal Joint Director General of Foreign Trade on January 05, 2011 which is valid from April 01, 2010 to March 31, 2015. .

16. Registration Code No. 118249 issued by Regional Provident Fund Commissioner, Maharashtra to our Company with effect from June 1, 2008 *vide* letter dated July 28, 2008 under provisions of Employees Provident Funds and Miscellaneous Provisions Act, 1952.

17. Our Company's P. R. T. C. Number is 27060608978P issued by Profession Tax Officer, Raigad district, Navi Mumbai *vide* Certificate of registration dated May 26, 2008 under Section 5(1) of the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.

18. Registration certificate bearing No. 0502 dated June 25, 2009 issued by the Halal Committee, Jamiat Ulama – E-Maharashtra which is valid from June 20, 2010 till June 19, 2011 in respect of the following products:

Name of Products
QUININE SULPHATE
QUININE HYDROCHLORIDE
QUININE BISULPHATE
QUININE DIHYDROCHLORIDE

19. Registration certificate bearing No. 0614 dated November 12, 2010 issued by the Halal Committee, Jamiat Ulama – E- Maharashtra which is valid from October 16, 2010 till October 15, 2011 in respect of the following products:

Name of Products
PROSILS HERBAL THROAT LOZENGES – (HONEY LEMON/ORGANGE STRAWBERRY/ LEMON/ RASBERRY / PINEAPPLE / MENTHOL / ECUALYPTUS FLAVOUR
DOKTOR QURE HERBAL LOZENGES – ORANGE/LEMON/RASBERRY/STRAWBERRY/GINGER MINT/PINEAPPLE AND MENTHOL FALVOUR
AANJATONE SYRUP
DIJTIR QURE HERBAL COUGH SYRUP
DOKTOR QURE PAIN RELIEVER (OINTMENT)
AANJASEAL CREAM

20. Membership Certificate issued to our Company by the Small and Medium Business Development Chamber of India with effect from February 11, 2009 for a period of ten years.

21. Membership Certificate No. IM-899 dated September 15, 2008 issued by the Institute of Directors to our Company.

22. Membership Certificate dated August 26, 2008 issued by the Indo-African Chamber of Commerce and Industries bearing membership No. 952/IACCI/OM/2008 to our Company.

23. Permanent Registration Certificate dated May 8, 2008 issued by the Indian Merchants' Chamber to our Company confirming the Permanent Registration No. IMC5243.

24. Our Company is a member of Pharmexcil – Pharmaceuticals Export Promotion Council *vide* Registration cum Membership Certificates bearing No. PXL/SSM/II/RO/ABPL/5319/2008-09 for small scale manufacturer valid upto March 31, 2013.

25. Our Company is a member of Pharmexcil – Pharmaceuticals Export Promotion Council *vide* Registration cum Membership Certificates bearing No. PXL/ME/VII/RO/ABPL/5245 for merchant exporter valid upto March 31, 2013

26. Our Company has been issued a Certificate of Registration bearing establishment registration No. 3008280715, DUNS Number 65-041-6915 dated June 11, 2010 issued by Registrar Corp., confirming registration with U.S. Food and Drug Administration, valid for a period of one year.

27. Our Company has been awarded the Excellence Award by the Institute of Economic Studies (IES) at a seminar held on February 27, 2009 at New Delhi on "Indo Thai Economic Co-operation; i.e. Current Economic Scenario" presented by Mr. Korn Dabbaransi, Hon'ble Former Deputy Prime minister of Thailand.

II. PLANT SITUATED AT MIDC, MAHAD, RAIGAD

1. Certificate of Good Manufacturing Practices dated March 26, 2009 issued to our Company by the Joint Commissioner (K.D.) Food and Drug Administration Maharashtra State, Thane bearing Certificate No. GMP/198/09/2-6 valid till August 05, 2013.

2. Certificate of Good Manufacturing Practices dated December 04, 2010 issued to our Company by Joint Commisioner (Law), Food and Drug Administration Maharashtra State, Mumbai bearing Certificate No. WHO-GMP_CER/KD-NEW-210-2010/2328/11 valid till December 03, 2012 for QUININE SULPHATE BP/EP.

3. Licence of manufacture for sale (or for distribution) of drugs other than those specified in Schedules C, C(1) and X to the Drugs and Cosmetics Rules, 1945, issued to our Company by Joint Commissioner (K.D.), Thane Food & Drug Administration, Maharashtra, in Form – 25, bearing Licence number KD-675 dated August 06, 2008, which is valid from August 06, 2008 to August 05, 2013 in respect of manufacturing of the following products:

Name of Products	Name of Products
QUININE SULPHATE : IP	CLORSULON
QUININE SULPHATE : BP/EP (for export only)	PERINDOPRIL,
QUININE SULFATE : USP (for export only)	PYRIMETHAMINE
QUININE BISULPHATE : IP	PRIMAQUINE PHOSPHATE
QUININE BISULPHATE : BP (for export only)	MEFLOQUINE HYDROCHLORIDE
QUININE HYDROCHLORIDE : BP/EP (for export only)	OXYDOZAMIDE (aka: OXYCLOZANIDE)
QUININE DIHYDROCHLORIDE : IP	ALBENDAZOLE
QUININE DIHYDROCHLORIDE : BP (for export only)	ETHOPABATE

Name of Products	Name of Products
ARTEETHER-IP	SULFADOXINE
ARTEMETHER-IP	RAFOXANIDE
BROMHEXINE HYDROCHLORIDE-EP	BROMHEXINE HYDROCHLORIDE-IP
HYDROCHLOROTHIAZIDE-USP	BROMHEXINE HYDROCHLORIDE-BP (for export only)
METOCLOPRAMIDE HYDROCHLORIDE-USP	DIPHENOXYLATE HYROCHLORIDE-IP
AMBROXOL HYDROCHLORIDE	TRAMADOL HYDROCHLORIDE BP
LUMEFANTRINE USP	ARTESUNATE IP
DIHYDROARTEMISININ INTERNATINAL PHARMACOPEIA	

This license is issued under the Drugs and Cosmetics Act, 1940.

4. Letter dated October 06, 2010 granting permission to export the drugs under Neutral Code Number MH/DRUGS/KD-675 issued by joint Commisioner(K.D), food and Drug Administration(M.S), Thane under Drugs And Cosmetics Act,1940 in respect of license No. KD-675 which is valid till August 05, 2013.

5. Free Sale Certificate issued by joint Commisioner(K.D), food and Drug Administration(M.S), Thane under Drugs And Cosmetics Act,1940 dated September 30, 2010 bearing Certificate No. FSC/Cert/98-2010/Z-5 permitting the manufacturing of Quinine Sulphate IP/BP/EP and Quinine Sulphate USP.

6. Ammendment to the Certificate of registration under Contract labour (Regulation and Abolition)Act, 1970 bearing certificate no. ACL/raigad/CLA/RC-24/2010 date of ammendment being December 27, 2010 inorporating the following amendments:

Sr. No	**Name & address of the Contractor**	**Nature of work in whichcontract labour is employed on any day of the preceding 12 months**	**Maximum no. of contract labour to be employed on any day through each contractor.**	**Date of Commencement**	**Estimated or actual date of termination of employment of contract labour.**
	1	2	3	4	5
1.	M/s. Asthavinayak Enterprises At. Kaliji, PO Birwadi, Tal- MAHAD,Dist-Raigad	Packing of material	75	January 01,2011	December 31, 2011
2.	M/s. Jai Bhawani At. Kaliji, PO Birwadi, Tal- MAHAD,Dist-Raigad	Packing of material	18	January 01,2011	December 31, 2011
3.	M/s. Dosti Fabricators At. Kaliji, PO Birwadi, Tal- MAHAD,Dist-Raigad	Fabricators/ Job Works	15	January 01,2011	December 31, 2011
4.	M/s. Aslam Construction At. Asanpol post Jite, Tal-MAHAD, Dist-Raigad	Civil / Job Works	15	January 01,2011	December 31, 2011

7. Central Excise Registration Certificate bearing Registration No. AAGCA0851LXM001 dated June 29, 2007 issued by Deputy Commissioner/ Assistant Commissioner of Central Excise, Mahad Division to our Company under Rule 9 of the Central Excise Rules, 2002.

8. Certificate of Registration bearing number MH01V 778769 dated August 23, 2010 issued by Sale Tax Officer Raigad, Navi Mumbai to our Company under Section 16 of The Maharashtra Value Added Tax Act, 2002 which is valid from May 19, 2007 for additional place of business situated at Gut no. 123 Pirangut taluka-Mulshi, district Pune – 412 108, Maharashtra, India.

9. Consent to operate under Section 26 of the Water (Prevention and Control of Pollution) Act, 1974 and under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 and authorization / renewal of authorization under Rule 5 of the Hazardous Wastes (Management, Handling and Transboundry Movement) Rules 2008 dated March 28, 2011 bearing Consent No. MPCB /ROR/CR11010001812011/98 issued by the Mumbai Pollution Control Board, Regional Office-Raigad; valid upto September 30, 2013 for the manufacture of Quinine Sulphate Crude.

10. License No. P/HQ/MH/15/5980(P200774) dated May 04, 2010 issued to our Company by Joint Chief Controller of Explosives, Petroleum and Explosives Safety Organisation (PESO), Nagpur, Maharashtra valid till December 31, 2012 for storing 42 K.L. of Petroleum Class A in bulk at our factory unit at Mahad, Raigad.

11. Membership of Mumbai Waste Management Limited, CHW-TSDF at Taloja, Raigad, *vide* letter dated May 3, 2008 issued by Mumbai Waste Management Limited under the hand of Ram N. Agnihotri (Vice President) bearing Membership No. MWML-HzW-MHD-2624 addressed to our Company.

12. Factory License dated January 15, 2009 issued by Director, Industrial Security & Health, Maharashtra State, Mumbai bearing Registration No. Raigad-2(m)(1) 24231 bearing permit No. 095373 valid till December 31, 2011 in respect of our factory unit in Mahad, Raigad.

13. Calibration Certificate No. A31110310WB01 issued by Accutek Services Private Limited in respect of weight box range 1 mg to 200 gm, valid till March 07, 2012.

14. Environment Clearance dated January 29, 2010 bearing Serial No. EC (AANJANEYA)-2009/23/CR.157/TCI) issued by Government of Maharashtra, Environment Department which valid for a period of five years, in respect of the bulk drugs manufacturing industry in respect of our unit at Mahad, Raigad for the following main products:

Name of Products	**Name of Products**
QUININE SULPAHTE	IMATINIB MESYLATE
QUININE BISULPAHTE	IRINOTECAN HYDROCHLORIDE
QUININE HYDROCHLORIDE	TOPOTECAN HYDROCHLORIDE
QUININE DIHYDROCHLORIDE	CAPACITABINE
PACLITAXEL	GEFITINIB
6-MERCAPTOPURIN	METHOTREXATE
DOCETAXEL	GEMICITABINE HYDROCHLORIDE
RAW MATERIALS	
CHINCHONA BARK	
HYDRATED LIME	
CAUSTIC SODA FLAKES	
SULPHURIC ACID	
TOLUENE	

15. License for the manufacture, possession and sale, otherwise than on prescription, of manufactured drugs by dealers dated October 23, 2009 issued by The Food & Drugs Administration, Raigad bearing Registration no. NDPS/1/2007/2009/2 valid upto December 31, 2012.

16. License for the sale or possession for sale of poisons (Acetonitrile) dated May 25, 2009 issued by The Food & Drug Administration, Raigad bearing No. Raigad/Poisons/6/2009 valid upto December 31, 2012.

17. Certificate of Registration dated July 14, 2010 issued under the Contract Labour (Regulation and Abolition) Act, 1970 by the Registering Officer, Raigad, Maharashtra bearing registration No. ACL/Raigad/CLA/RC-24/2010 in respect of our Mahad factory, Raigad.

18. Certificate dated June 18, 2010 for the use of boilers issued by the Directorate of Steam Boiler Department under the Indian Boiler's Act No. V of 1923, the boiler being a smoke tube boiler bearing registry no. MR/14533 valid from June 9, 2010 upto June 8, 2011.

19. Load sanction order dated April 8, 2010 issued by the Maharashtra State Electricity Distribution Company Limited bearing Reference No. SE/PC/Tech/GRN/Cons. 368/ bearing acknowledgement No. 02195 for the purpose of manufacturing of antimalerial drug (crude) (quinine sulphate) valid upto one year from the date of issue of load sanction order.

20. Certificate of Suitability dated April 06, 2011 issued by European Directorate for the Quality of Medicines and HealthCare (EDQM) certifying that the quality of Quinine Sulphate is suitably controlled by the versrion of the monograph QUININE SULFAT No. 19 of the European Pharmacopoeia. This certification is valid for a period of 5 years.

III. PLANT SITUATED AT PUNE

1. Factory License dated June 18, 2009 issued by Director, Industrial Security & Health, Maharashtra State, Mumbai bearing Registration No. Pune/2(m)(1) 24239 *vide* dated June 18, 2009 bearing permit No. 097496 valid till December 31, 2011 in respect of the Mulshi unit situated at Pune.

2. Licence of manufacture for sale (or for distribution) of drugs other than those specified in Schedules C, C(1) and X to the Drugs and Cosmetics Rules, 1945, issued to our Company by Joint Commissioner (Pune Division), Food & Drug Administration, Maharashtra State, Pune in Form – 25, bearing Licence number PD/97 dated December 18, 2009, which is valid from December 18, 2009 to December 17, 2014 in respect of manufacturing of the following products:

Name of Products	**Name of Products**
KOFAREST LOZENGES(for export only)	KUFRIL COUGH LOZENGES
KOFAREST LOZENGES – MINT(for export only)	KOFSILS LOZENGES
KOFAREST LOZENGES – LEMON FLAVOUR(for export only)	VTAESY LOZENGES-ORANGE FLAVOUR (for export only)
KOFAREST LOZENGES – STRAWBERRY(for export only)	VDEXTRO THROAT LOZENGES (for export only)
LOZELL LOZENGES – HONEY & LEMON(for export only)	TUZZO D
LOZELL LOZENGES – REGULAR(for export only)	TUZZO REGULAR (for export only)
LOZELL LOZENGES – MENTHOL	TUZZO MENTHOL (for export only)
PROSILS ORANGE THROAT LOZENGES(for export only)	TUZZO ORANGE (for export only)
PROSILS REGULAR THROAT LOZENGES(for export only)	PROSIL D COUGH LOZENGES- ORANGE FLAVOUR (for export only)
ELFASEPT LOZENGES – ORANGE FLAVOUR(for export only)	PROSIL D COUGH LOZENGES- LEMON FLAVOUR (for export only)
ELFASEPT LOZENGES – LEMON FLAVOUR(for export only)	PROSIL D COUGH LOZENGES- MINT FLAVOUR (for export only)

Name of Products	Name of Products
ELFASEPT LOZENGES – HONEY AND LEMON FLAVOUR(for export only)	PROSIL D COUGH LOZENGES- STAWBERRY FLAVOUR (for export only)
ELFASEPT LOZENGES – MINT FLAVOUR(for export only)	AANFRSH THROAT LOZENGES- ORANGE FLAVOUR (for export only)
LYTEL THROAT LOZENGES – ORANGE FLAVOUR(for export only)	AANFRSH THROAT LOZENGES- LEMON FLAVOUR (for export only)
LYTEL THROAT LOZENGES – LEMON FLAVOUR(for export only)	AANFRSH THROAT LOZENGES- MENTHOL FLAVOUR (for export only)
LYTEL THROAT LOZENGES – MENTHOL FLAVOUR(for export only)	PROSIL COUGH LOZENGES- MIX FRUIT FLAVOUR (for export only)
LYTEL THROAT LOZENGES – MIXED FRUIT FLAVOUR(for export only)	PROSIL COUGH LOZENGES- RASPBERRY FLAVOUR (for export only)
MENTHOSIL THROAT LOZENGES – ORANGE FLAOUR(for export only)	PROSIL COUGH LOZENGES-PINEAPPLE FLAVOUR (for export only)
DEXCOOL THROAT LOZENGES – MENTHOL FLAVOUR(for export only)	PROSIL COUGH LOZENGES-STRAWBERRY FLAVOUR (for export only)
DEXCOOL THROAT LOZENGES(for export only)	PROSIL COUGH LOZENGES-LEMON FLAVOUR (for export only)
BETASIL LOZENGES – REGULAR(for export only)	PROSIL COUGH LOZENGES-MENTHOL EUCALYPTUS FLAVOUR (for export only)
VTAESY LOZENGES – MENTHOL(for export only)	PROSIL COUGH LOZENGES- HONEY AND LEMON FLAVOUR
KOFAREST LOZENGES	ALEX COUGH LOZENGE (for export only)
SORECOOL REGULAR THROAT LOZENGES(for export only)	LYPODIN OINTMENT (for export only)
SORECOOL MENTHOL THROAT LOZENGES(for export only)	SILKOREX CREAM (for export only)
STREPSILS THROAT LOZENGES – ORANGE FLAVOUR	ZINSIL CREAM (for export only)
STREPSILS THROAT LOZENGES – REGULAR FLAVOUR	MOMATO-TROPIS
STREPSILS THROAT LOZENGES – LEMON FLAVOUR	AARNOVITA CREAM (for export only)
STREPSILS THROAT LOZENGES – GINGER LEMON FLAVOUR	AAMATOSONE CREAM (for export only)
STREPSILS THROAT LOZENGES – REGULAR FLAVOUR	RECODEX COUGH SYRUP
STREPSILS THROAT LOZENGES – MENTHOL FLAVOUR	COZIN LINCTUS
STREPSILS EXTRA LOZENGES	KOFASHANT COUGH LOZENGES
DEXCOOL THROAT LOZENGES – MENTHOL FLAVOUR	TUZZO D (for export only)
VIAGEL 50 Strawberry Flavour (for export only)	VIAGEL 100 Strawberry (for export only)
VIAGEL 50 Butterscotch Flavour (for export only)	VIAGEL 100 Butterscotch (for export only)
VIAGEL 50 Orange Flavour (for export only)	VIAGEL 100 Orange (for export only)

The abovementioned license is issued under the Drugs and Cosmetics Act, 1940.

3. Letter dated March 26, 2010 issued by Joint Commissioner (Pune Division), Food & Drug Administration, Maharashtra State, Pune to our Company permitting our Company to manufacture the following additional products under License number PD-97 which is valid from December 18, 2009 to December 17, 2014 in respect of manufacturing of the following products:

Name of Products	Name of Products
AANMOL SYRUP (for export only)	AANZOL SUSPENSION (for export only)
AANARQUIN SYRUP (for export only)	AANJATRIM SUSPENSION (for export only)
AANTOX SYRUP (for export only)	AANGOREX SYRUP (for export only)
AANJAPETI SYRUP (for export only)	AANKOF SYRUP (for export only)
AARMEX SUSPENSION (for export only)	AANGOSAL G SYRUP (for export only)
AANGEL SUSPENSION (for export only)	AANFRESH THROAT LOZENGES – ORANGE FLAVOUR (for export only)
AANFRESH THROAT LOZENGES – LEMON FLAVOUR (for export only)	AANFRESH THROAT LOZENGES – MENTHOL FLAVOUR (for export only)
VITAAL SYRUP – MIX FRUIT FLAVOUR (Multivitamin Syrup)	ARECTA-PLUS LOZENGES – BUTTERSCOTCH FLAVOUR (for export only)
ARECTA-PLUS LOZENGES – STRAWBERRY FLAVOUR (for export only)	CHLOROQUINE PHOSPHATE SYRUP
CHLOROQUINE PHOSPHATE SUSPENSION	DIETHLY CARBAMAZINE CITRATE SYRUP
DIETHLY CARBAMAZINE CITRATE SYRUP PEDIATRIC	DR, CARE DRY COUGH LOZENGES – ORANGE FLAVOUR (for export only)
DR, CARE DRY COUGH LOZENGES – STRAWBERRY FLAVOUR (for export only)	DR, CARE DRY COUGH LOZENGES – MINT FLAVOUR (for export only)
DR, CARE DRY COUGH LOZENGES – LEMON FLAVOUR (for export only)	DR, CARE D LOZENGES – (for export only)
VIAGEL 50 – STRAWBERRY FLAVOUR (for export only)	VIAGEL 100 – STRAWBERRY FLAVOUR (for export only)
VIAGEL 50 –BUTTERSCOTCH FLAVOUR (for export only)	VIAGEL 100 – BUTTERSCOTCH FLAVOUR (for export only)
VIAGEL 50 – ORANGE FLAVOUR (for export only)	VIAGEL 100 – ORANGE FLAVOUR (for export only)
RANKOREX SYRUP (for export only)	ARECTA-PLUS LOZENGES – BUTTERSCOTCH FLAVOUR (for export only)
ARECTA-PLUS LOZENGES – STRAWBERRY FLAVOUR (for export only)	NICCO-NIL LOZENGES (SUGARFREE)
ACTIPROS COUGH SYRUP (SUGARFREE)	

4. Letter dated April 20, 2010 issued by Joint Commissioner (Pune Division), Food & Drug Administration, Maharashtra State, Pune to our Company permitting our Company to manufacture Zedex Cough Lozenges under License number PD-97 which is valid from December 18, 2009 to December 17, 2014

5. Letter dated February 6, 2010 issued by Joint Commissioner (Pune Division), Food & Drug Administration, Maharashtra State, Pune to our Company permitting our Company to manufacture Alex Cough Lozenges (for export only) under License number PD-97 which is valid from December 18, 2009 to December 17, 2014

6. Licence to manufacture for sale of Ayurvedic (including Siddha) or Unani Drugs, issued to our Company by Technical Officer and Licensing Authority (Ayurved) Food & Drug Administration in Form 25-D, bearing Licence number PD/AYU/68 dated December 19, 2009 which is valid from December 19, 2009 to December 18, 2012 in respect of manufacturing of the following products:

Name of Products	Name of Products
HERBAL DROPS THROAT LOZENGES (ORANGE FLAVOUR)	BETASIL HERBAL LOZENGES
AANJATONE SYRUP	DOKTOR QURE HERBAL LOZENGES- GINGER MINT
DOCKTOR QURE HERBAL COUGH SYRUP	DOKTOR QURE HERBAL LOZENGES-LEMON
LIVOCEL-A	DOKTOR QURE HERBAL LOZENGES-RASPBERRY

LIVETONE	DOKTOR QURE HERBAL LOZENGES-STAWBERRY
JAZMINT HONEY LEMON LOZENGES	DOKTOR QURE HERBAL LOZENGES-PINEAPPLE AND MINTOL
ZEAL AYURVEDIC LOZENGES	DOKTOR QURE HERBAL LOZENGES-ORANGE
COUGHDROP-TRICKN LOZENGES	AANJA FRESH LOZENGES
VIFEX THROAT SOOTHER	PROSILS HERBAL COUGH LOZENGES-PINEAPPLE FLAVOUR
ABU SAEF LOZENGES	PROSILS HERBAL COUGH LOZENGES-MENTHOL EUCALYPTUS FLAVOUR
ZEAL PLUS AYURVEDIC LOZENGES- ORANGE FLAVOUR	PROSILS HERBAL COUGH LOZENGES-HONEY LEMON FLAVOUR
ZEAL PLUS AYURVEDIC LOZENGES-PINEAPPLE FLAVOUR	PROSILS HERBAL COUGH LOZENGES-STAWBERRY FLAVOUR
TIBB LOZENGES	PROSILS HERBAL COUGH LOZENGES-LEMON FLAVOUR
PROSILS HERBAL COUGH LOZENGES- ORANGE FLAVOUR	PROSILS HERBAL COUGH LOZENGES-RASPBERRY FLAVOUR
NODARAR OINTMENT	VIFEX HERBAL RUB
BLACK SEED VAPOUR RUB	ABU SAFE HERBAL RUB
LYNIX RUB	QURE ANTISEPTIC CREAM
CELTOUCH CREAM	TIBB BLACK SEED OINTMENT
CELKOF RUB	AANJALIK GEL
CELTOUCH AM CREAM	AANJA SEAL CREAM
DOKTOR QURE PAIN RELIEVER OINTMENT	CELTOSH CREAM
HERBAL DROPS THROAT LOZENGES-ORANGE FLAVOUR	LIVCHEK SYRUP (for export only)
ESYHIL CREAM (for export only)	PROSILS M LOZENGES (for export only)
RUB RUB OINTMENT (for export only)	PROSILS HERBAL THROAD LOZENGES-PINEAPPLE FLAVOUR
PROSILS HERBAL THROAT LOZENGES-MENTHOL EUCALYPTUS FLAVOUR	PROSILS HERBAL THROAT LOZENGES-HONEY LEMON FLAVOUR
PROSILS HERBAL THROAT LOZENGES- STAWBERRY FLAVOUR	PROSILS HERBAL THROAT LOZENGES-LEMON FLAVOUR
PROSILS HERBAL THROAT LOZENGES-RASPBERRY FLAVOUR	PROSILS HERBAL THROAT LOZENGES- ORANGE FLAVOUR
ANJENIYA CURCUMACARE LOZENGES	

The abovementioned license is issued under the Drugs and Cosmetics Act, 1940.

7. Loan Licence to manufacture for sale of Ayurvedic (including Siddha) or Unani Drugs, issued to M/S Genom Biotech Private Limited Company by Technical Officer and Licensing Authority (Ayurved) Food & Drug Administration in Form 25-E , bearing Licence number PD/AYU/006-A/07 dated January 28, 2010 which is valid from January 28, 2010 to January 27, 2013 in respect of manufacturing at our premises,of the following products:

Name of Products	Name of Products
TRISILS HERBAL LOZENGES (Aniseed flavour)	TRISILS HERBAL LOZENGES (Orange flavour)
TRISILS HERBAL LOZENGES (Lemon flavour)	TRISILS HERBAL LOZENGES (Raspberry flavour)
TRISILS HERBAL LOZENGES (Honey flavour)	TRISILS HERBAL LOZENGES (Banana flavour)
TRISILS HERBAL LOZENGES (Mint flavour)	TRISILS HERBAL LOZENGES (Honey+Lemon flavour)

The abovementioned license is issued under the Drugs and Cosmetics Act, 1940.

8. Loan Licence to manufacture for sale of Ayurvedic (including Siddha) or Unani Drugs, issued to M/S Gepach International by Technical Officer and Licensing Authority (Ayurved) Food & Drug Administration in Form 25-E , bearing Licence number PD/AYU/003-A/05 dated January 15, 2010 which is valid from January 15, 2010 to January 14, 2013 in respect of manufacturing at our premises, of the following products:

Name of Products	Name of Products
GORPILS HERBAL COUGH LOZENGES (Pineapple flavour)	GORPILS HERBAL COUGH LOZENGES (Strawberry flavour)
GORPILS HERBAL COUGH LOZENGES (Raspberry flavour)	GORPILS HERBAL COUGH LOZENGES (Orange flavour)
GORPILS HERBAL COUGH LOZENGES (Honey Lemon flavour)	GORPILS HERBAL COUGH LOZENGES (Lemon flavour)
GORPILS HERBAL COUGH LOZENGES (Menthol Eucalyptus flavour)	

The abovementioned license is issued under the Drugs and Cosmetics Act, 1940.

9. Loan Licence to manufacture for sale of Ayurvedic (including Siddha) or Unani Drugs, issued to M/S Lamar Natural Products Private Limited by Technical Officer and Licensing Authority (Ayurved) Food & Drug Administration in Form 25-E , bearing Licence number PD/AYU/007-A/09 dated January 28, 2010 which is valid from January 28, 2010 to January 27, 2013 in respect of manufacturing at our premises,of the following products:

Name of Products	Name of Products
LAMAR ANTI LICE GEL	JOONIL GEL

The abovementioned license is issued under the Drugs and Cosmetics Act, 1940.

10. Loan Licence to manufacture for sale of Ayurvedic (including Siddha) or Unani Drugs, issued to M/S CiplaLimited by Technical Officer and Licensing Authority (Ayurved) Food & Drug Administration in Form 25-E , bearing Licence number PD/AYU/46-A dated February 24, 2010 which is valid from February 24, 2010 to February 23, 2013 in respect of manufacturing at our premises,of the following products:

Name of Products
HEALTHEASE VAPORS Ointment

The abovementioned license is issued under the Drugs and Cosmetics Act, 1940.

11. Licence to manufacture for sale drugs specified in Schedules C and C(1) to the Drugs and Cosmetics Rules, 1945, issued to our Company by Joint Commissioner (Pune Division), Food & Drug Administration, Maharashtra State, Pune in Form – 28, bearing Licence number PD/75 dated December 18, 2009, which is valid from December 18, 2009 to December 17, 2014 in respect of manufacturing of the following products:

Name of Products	Name of Products
QBC DERM CREAM	AANCOL SUSPENSION
CIPBIOTIC-FC-CREAM	AANRICH
AANMYCIN CREAM	REDFOL SYRUP
VITAAL SYRUP (Multivitamin Syrup)	FERCIFOL SYRUP

The abovementioned license is issued under the Drugs and Cosmetics Act, 1940.

12. Loan Licence to manufacture for sale drugs other than those specified in Schedules C, C(1) and X of the Drugs and Cosmetics Rules, 1945, on the premises situated at F020/21, MIDC, Industrial Area, Ranjangron, Tal – Shirus, Dist. Pune,C/o. Tulip Lap. Pvt. Ltd. issued to our Company by Joint Commissioner (Pune Division), Food & Drug Administration, Maharashtra State, Pune in Form – 25-A, bearing Licence number PD/370-A dated October 26, 2010, which is valid from October 26, 2009 to October 25, 2015 in respect of manufacturing of the following products:

Name of Products	Name of Products
TADALAFIL TABLETS 20 Mg AANCILA	SILDENAFIL 100 Mg AANGRA

The abovementioned license is issued under the Drugs and Cosmetics Act, 1940

13. Letter dated December 18, 2009 regarding Approval of Renewal License Medicines and Cosmetics Provisional Act 1960 and Regulative Rules stating enclosure of certificate no. PD/75 dated December 18, 2009 by J.R. Malani for Assistant Commissioner (Policy) Food & Medicines Administration, Maharashtra State.

14. Licence to manufacture for sale of homoeopathic medicines issued to our Company by Joint Commissioner (Pune Division), Food & Drug Administration, Maharashtra State, Pune in Form 25 – C, bearing Licence number PD/HOM/5 dated December 18, 2009, to December 17, 2014 in respect of manufacturing of stodal cough lozenges – ginger flavour.

15. Certificate No. 0181952 dated December 23, 2009 issued by Ministry of Consumer Affairs, Food & Public Distribution under the Standard Weights & Measures Maharashtra State (Enforcement) Rules, 1987 in respect of 14 weights and 4 weights, which is valid till December 19, 2011.

16. Certificate No. 0146586 dated December 27, 2009 issued by the Weights and Measurement Authority, Pune Division under the Maharashtra Weight and Measurement Act, 1985 in respect of weights with weighing scale capacity of 6 kilogram, 120 gram, 6 kilogram * 0.5 gram and 60/120 kilogram valid till December 19, 2011.

17. Certificate No. 0146587 dated December 27, 2009 issued by the Weights and Measurement Authority, Pune Division under the Maharashtra Weight and Measurement Act, 1985 in respect of weights with weighing scale capacity of 5 kilogram, 6 kilogram, 150 kilogram * 10 gram, 90/150 kilogram and 300 kilogram valid till December 19, 2011.

18. Central Excise Registration certificate issued by Central Board of Excise and Customs under the hand of Deputy Commissioner of Excise/Assistant Commissioner of Excise dated March 2, 2010.

19. License for manufacture, possession and sale, otherwise than on prescription of manufactured drugs by dealers under the Narcotics Drugs and Psychotropic Substances Act, 1985 in respect of Codeme Phosphate (100 Kgs) issued by the Food and Drugs Administration, Maharashtra, Pune to Aanjaneya Biotech Private Limited bearing license No. P/H/140/2010 valid upto December 31, 2011

20. License issued by Maharashtra Enviro Power limited to M/s Prophyla Biologicals Private Limited for Common Hazardous Waste Treatment, Storage and Disposal Facility(CHWTSDF) bearing Membership No. MEPL/CPP020 valid upto January 21, 2014.

21. Prophyla Biologicals Private Limited entered into an agreement with Maharshtra Enviro Power Limited on January 22, 2009 for common hazardous waste treatment, storage and disposal facility valid upto January 21, 2014. Pursuant to an amendment dated May 11, 2010 our company entered into Maharashtra Enviro Power Limited. The agreement between Maharshtra Enviro Power Limited and Prophyla Biologicals Private Limited dated January 22, 2010, amended on May 11, 2010 for change in name and address from Prophyla Biologicals Private Limited to Aanjaneya Biotech Limited in the records.

22. No Objection Certificate dated December 18, 2009 issued by The Grampanchayat Pirangut, in respect of our factory situated at Pune.

23. Certificate of Registration issued under the Contract Labour (Regulation and Abolition) Act, 1970 by the Registering Officer, Pune, Maharashtra bearing registration No. P. N. 3189 in respect of our Pune factory.

24. No Objection Certificate dated September 12, 1997 issued by The Office of the Joint Director of steam boilers, Maharashtra State, bearing no. SB-6/ Case No. 174/SYV/1997/3661 in respect of the working of the coil type boiler no. RXA-06 with Sr. No. 1281 of thermax make used in our factory situated in Pune.

25. Certificate of Good Manufacturing Practices dated November 15, 2010 issued to our Company by the Technical Officer & Licensing Authority (Ayurved) Food and Drug Administration Maharashtra State, Mumbai bearing Certificate No. Cer/51/742-10/14 valid till November 14, 2013 for Ayurveda-siddha-Unani drugs as laid down in Schedule T of the Drugs and Cosmetics Rule, 1945

26. Consent to Operate under water Act, Air Act and HW (M& H) rules, granted to our Company by Regional Officer, Pune dated October 1, 2010 bearing Consent no. ROP/E-26/CC/UB/Pune/373/10 and valid till May 31,2014 for manufacturing of cough lozenges upto 1 metric tonne a day, liquid syrups upto 400 KL per day abd ointment upto 5000 litres per day.

27. Certificate of membership of CHWTSDF bearing Membership no. MEPL/CPA020 valid from January 22,2009 till January 21, 2014 issued by Maharashtra Enviro Power Limited.

28. Certificate of Good Manufacturing Practices dated January 1, 2011 issued to our Company by the Joint Commissioner (LAW), Food and Drug Administration Maharashtra State, Mumbai bearing Certificate No. WHO-GMP/CERT/PD-EX-5-2011/131/11 valid till July 2, 2011 for Lozenges and Ointment in respect of the activity of production, packing and quality control.

29. Certificate of Good Manufacturing Practices dated March 1, 2011 issued to our Compaby by Ministry of Medical Sevices Pharmacy and Poisons Board, Republic of Kenya bearing certificate No. PPB/GMP/F/2010/103 valid till November 30, 2013 for General Products Lozenges, General Product Liquids (Syrups, Suspensions) excluding Beta Lactum, Cephalosporin, Ointments, Creams and Gels in respect of manufacturing activities.

IV. QUALITY CERTIFICATIONS

1. ISO 9001:2008 Certificate No. FM 542101 issued by BSi Management Systems to our Company in respect of manufacture, marketing and sales of drug intermediates and active pharmaceutical ingredients valid upto March 11, 2012.

2. ISO 14001:2004 Certificate No. EMS 542165 issued to our Company by BSi Management Systems in respect of manufacture, marketing and sales of drug intermediates and active pharmaceutical ingredients valid upto March 11, 2012.

3. ISO 22000:2005 bearing No. IND10.8508 dated January 19, 2010 issued to our Company by Bureau Veritas Certification (India) Private Limited valid till January 18, 2013.

4. ISO 9001:2008 bearing registration number QAC/R91/1820 issued to Prophyla Biologicals Private Limited by Quality Assured in respect of design, development, manufacture and supply of ayurvedic, homeopathic and allopathic drug formulations valid upto November 25, 2012.

V. ADVANCE LICENSES

Sr. No.	Licence number	Name of the material	Issue date	Duty Saved (₹ in lacs)	Export Obligation		Export obligation completed		Balance export obligation to be completed		Period upto which export obligation to be completed
					Quantity (Kilograms)	(US$)	Quantity (Kilograms)	(US $)	Quantity (Kilograms)	(US$)	
1.	0310495927/ 3/03/00*	Quinine Sulphate	December 01, 2008	32.09	6,000	6,43,807	6,000	6,33,615	Nil	10,192	November 30, 2010
2.	0310503001/ 3/03/00*	Quinine Sulphate	January 19, 2009	64.48	12,000	13,80,000	12,000	11,74,050	Nil	2,05,950	January 18, 2011
3.	0310544627/ 3/03/00**	Quinine Hydrochloride	November 09, 2009	8.56	1,000	1,29,000	950	1,19,066	50	9,934	November 08, 2011
4.	0310553996/ 3/03/00**	Quinine Sulphate	January 06, 2010	33.14	5,000	4,72,650	4,995	4,61,077	5	11,573	January 05, 2012
5.	0310553596/ 3/03/00	Quinine Hydrochloride	January 05, 2010	7.59	1,000	1,18,500	620	77,654	380	40,846	January 04, 2012
6.	0310562370/ 3/03/00*	Quinine Sulphate	February 26, 2010	17.14	2,500	2,36,325	2,500	2,36,500	0	0	February 25, 2012
7.	0310562365/ 3/03/00*	Quinine Sulphate	February 26, 2010	16.77	2,500	2,36,325	2,500	2,38,000	0	0	February 25, 2012
8.	0310569954/ 3/03/00	Quinine Sulphate	April 19, 2010	28.53	11,000	1,0,04,710	10,565	9,43,595	435	61,115	April 18, 2012***
9.	0310588270/ 3/03/00**	Quinine Bisuplhate	August 18, 2010	Import Pending	1,000	95,000	Nil	Nil	1,000	95,000	August 31, 2013
10.	0310590507/ 3/03/00**	Quinine Sulphate	September 01, 2010	45.61	8,000	7,84,000	7,350	6,45,775	650	1,38,225	August 31, 2013
		Quinine Hydrocholride			1,000	1,15,000	Nil	Nil	1,000	1,15,000	
		Quinine Dihydrocholrde			1,000	1,25,000	100	25,295	900	99,705	
11.	0310606820/ 3/03/00	Quinine Sulphate	December 16, 2010	Import Pending	8,000	8,00,000	3,650	4,24,511	4,350	3,75,489	August 31, 2013

12.	0310609785/ 3/03/00	Quinine Suplhate	January 06, 2011	Import Pending	10,000	10,00,000	Nil	Nil	10,000	10,00,000	August 31, 2014

**Our Company has completed the entire export obligation and has consequently utilised the entire import leverage. However our Company has yet not received certificate to this effect from Directorate General of Foreign Trade.*

***Import with respect to the license is pending/ partly pending and hence export obligation is yet to be accrued.*

**** Modified on September 23, 2010*

The obligation of the above mentioned Advance Licenses as on March 29, 2011 is pending to the extent of 380Kgs/$ 40,846.The period by which exports will be effected is January 04, 2013.

VI. A. FOR OBJECTS OF THE ISSUE

1. Provisional No Objection Certificate dated January 10, 2011 for extension of existing factory building and proposed construction of factory building at MIDC, Mahad Industrial Area issued by Deputy Chief Fire Officer, Maharashtra Industrial Development Corporation valid till January 09, 2012.

2. Commencement certificate bearing SPA/691 of 2011 dated February 11, 2011 issued by Executive Engineer, MIDC, Mahad to our Company for grant of sanction to commence and carry out revised development work and building to erect factory on plot no. K-4/1 of K zone.

B. MATERIAL LICENSES/APPROVALS FOR WHICH WE ARE YET TO APPLY FOR OBJECTS OF THE ISSUE

1. We are yet to apply for the FDA License to manufacture intermediates in the block to be set up for the Intermediate API Block at Mahad, Maharashtra.

2. We are yet to apply for cGMP Block FDA License to manufacture bulk drugs intermediates in the block to be set up for APIs at Mahad, Maharashtra.

3. We are yet to apply for the DSIR approval from Directorate of Scientific & Industrial research Delhi for our existing Research and Development centre at Mahad and Pune, Maharashtra after the block is expanded and ready.

4. We are yet to register with the concerned ministry of health in countries such as Dominican Republic, Peru, Argentina, Venezuela, Bolivia, Ecuador, El- Salvador, Uganda, Kenya, Tanzania, Ghana, Burkina Faso, Sudan, Ethiopia, Saudi Arabia, Kuwait, Bahrain, Qatar, UAE, Russia, Ukraine Vietnam, Cambodia and Myanmar, the dossiers of our branded formulations to be manufactured at Pune plant in our name.

5. We are yet to apply for a FDA License to manufacture Anti Cancer products for our Anti Cancer API facility to be set up at Mahad, Maharashtra.

   Note: We are in the process of setting up of our infrastructure facilities for the objects of the issue in our existing facilities for which we do not require any fresh approvals. Therefore, we shall apply for the above mentioned licenses/ approvals to the respective authorities only after setting up of the infrastructure facilities for such manufacturing.

VII. APPLICATIONS PENDING RENEWAL/LICENSES APPLIED FOR

1. Our Company *vide* application dated August 16, 2010 addressed to The Profession Tax Registration Department has requested to add our additional business address, Aanjaneya Lifecare Limited, Gut no. 123 Pirangut taluka-Mulshi, district Pune – 412 108 to the license bearing Number 27060608978P issued by Profession Tax Officer,

Raigad District, Navi Mumbai *vide* Registration Certificate dated May 26, 2008 under Section 5(1) of the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.

2. Our Company *vide* Application dated March 09, 2011, applied to the Food and Drug Administration, Maharashtra State, Pune to manufacture under Licence number PD/AYU/68 dated December 19, 2009 the following products in addition to the existing products:

Name of Products	Name of Products
SUPER -1 LOZENGES	NATUROMMUNE LOZENGES
RELACS LOZENGES	LIVCHEK LOZENGES

VIII. MATERIAL LICENSES/APPROVALS FOR WHICH WE ARE YET TO APPLY

1. We will in due course enter into an agreement with the Mumbai Waste Management Limited pursuant to the Company's membership with Mumbai Waste Management Limited.

2. We will in due course enter into an agreement with the Maharashtra State Electricity Distribution Company Limited pursuant to the Load Sanction Order issued by them to our Company.

3. We will in due course apply to the Food and Drugs Association, Maharashtra for manufacturing the following products:

Name of Products	Name of Products
	DIMENHYDRINATE
SILDENAFIL CITRATE	DIMINAZENE DIACETURATE
TADALAFIL	NITROXYNIL
	RAMIPRIL
AMBROXOL	IRINOTECAN HYDROCHLORIDE
DOCETAXEL	TOPOTECAN HYDROCHLORIDE
GEMCITABINE HYDROCHLORIDE	IMATINIB MESYLATE
CAPECITABINE	GEFITINIB
PACLITAXEL	

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue of Equity Shares has been authorised by a resolution of our Board of Directors at its meeting held on April 22, 2010 subject to the approval of the shareholders through a special resolution to be passed pursuant to Section 81(1A) of the Companies Act.

Our shareholders have, at the Annual General Meeting of our Company held on May 04, 2010, approved the issue.

The BSE and NSE have given their in principle approval for the issue on October 28, 2010 and December 24, 2010 respectively.

Prohibition by SEBI

Our Company, our Directors, our Promoters, the Promoter Group, or the person(s) in control of our Company or our Corporate Promoter, other Group Companies and companies with which our Promoters, Directors or persons in control of our Company are associated as directors or promoters or persons in control have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

None of the Directors of our Company are associated with the securities market in any manner and SEBI has not initiated any action against any of the Directors.

Prohibition by RBI and other Governmental Authorities

Our Company, Directors, Promoters and the relatives of the Promoters (as defined under the Companies Act), Group Companies have confirmed that they have not been identified as wilful defaulters by the RBI or any other government authority and there are no violations of securities laws committed by them in the past and no prosecution or other proceedings for any such alleged violation is pending against them.

Eligibility for the Issue

Our Company is eligible for the Issue in accordance with Regulation 26(1) of the SEBI ICDR Regulations, as explained under, with the eligibility criteria calculated in accordance with unconsolidated financial statements under Indian GAAP

(a) Our Company has net tangible assets of at least ₹ 300 lacs in each of the preceding three full years (of twelve months each), of which not more than fifty percent. are held in monetary assets;

(b) Our Company has a track record of distributable profits in accordance with Section 205 of Companies Act, for at least three out of the immediately preceding five years;

(c) Our Company has a net worth of at least ₹ 100 lacs in each of the preceding three full years (of twelve months each);

(d) The aggregate of the proposed issue and all previous issues made in the same financial year in terms of issue size (i.e. public issue by way of offer document +firm allotment +promoter's contribution through the offer document) does not exceed five times our pre – issue net worth as per the audited balance sheet of the preceding financial year;

(e) *Our Company has changed its name from Aanjaneya Biotech Limited to Aanjaneya Lifecare Limited on June 19, 2010. Our Company has not changed it's name within the last one year in a manner suggesting change in activities.*

Further, in accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted in the Issue shall not be less than 1,000, failing which the entire application monies will be refunded forthwith. In case of delay as specified herein, if any, in refund, our Company shall pay interest on the application money at the rate of 15% per annum for the period of delay.

The net tangible assets, monetary assets, net profits (as restated) and net worth (as restated) as derived from the financial statements (restated), included in the Red Herring Prospectus under the section titled *"Financial Statements"* as at, and for the last four years ended March 31, 2010, 2009, 2008 and 2007 as per our Statutory Auditors Certificate dated April 07, 2011 is set forth below:

(₹ In lacs)

Particulars	March 31, 2010	March 31, 2009	March 31, 2008	March 31, 2007
Net tangible assets	11,175.56	5,095.24	1,747.91	52.10
Monetary assets	75.29	72.55	7.96	1.30
Distributable profit after tax excluding extra ordinary item.	1507.93	507.63	231.90	(3.19)
Networth	4,971.27	1,231.34	428.71	(2.19)
Monetary assets as a % of net tangible assets.	0.67	1.42	0.46	2.50

<u>Notes</u>:

a) Net tangible assets is defined as the sum of fixed assets (including capital work-in-progress and excluding revaluation reserves, if any), investments, current assets (excluding deferred tax assets) less current liabilities (excluding deferred tax liabilities and long term liabilities but excludes intangible assets as defined in AS 26 issued by ICAI
b) Monetary Assets include cash on hand and bank balances.
c) Distributable profit has been defined in terms of Section 205 of the Companies Act, 1956.
d) Networth has been defined as the aggregate of equity share capital and reserves, excluding miscellaneous expenditure not written offand the debit balance of profit and loss account

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THE DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, ANAND RATHI ADVISORS LIMITED AND IDBI CAPITAL MARKET SERVICES LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS FOR THE TIME BEING IN FORCE. 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 MANAGERS, ANAND RATHI ADVISORS LIMITED AND IDBI CAPITAL MARKET SERVICES LIMITED, ARE 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 MANAGERS, ANAND RATHI ADVISORS LIMITED AND IDBI CAPITAL MARKET SERVICES LIMITED, HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 13, 2010 IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992, WHICH READS AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, CIVIL CASES, INTELLECTUAL PROPERTY DISPUTES, DISPUTE WITH COLLABORATORS, CRIMINAL CASES, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:**

a) **THE DRAFT RED HERRING PROSPECTUS FILED WITH SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**

b) **ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED / ISSUED BY SEBI, THE CENTRAL GOVERNMENT, AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

c) **THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE SECURITIES EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. - NOTED FOR COMPLIANCE**

5. **WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN, SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.**

6. **WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS.**

7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. - NOTED FOR COMPLIANCE.

8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.

9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT RED HERRING PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE.

10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE - NOT APPLICABLE.

11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.

12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:

(A) AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND

(B) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.

13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.

14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.

15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**

16. **THE FILING OF THE OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR 68 OF THE COMPANIES ACT, 1956 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 MANAGERS ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.**

Disclaimer Clause of the Bombay Stock Exchange Limited

Bombay Stock Exchange Limited (the "Exchange") has given vide its letter dated October 28, 2010, permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:-

i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or

ii. warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or

iii. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Disclaimer Clause of the National Stock Exchange of India Limited

As required, a copy of the Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter reference number NSE/LIST/154508-A dated December 24, 2010 permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Disclaimer Clause of IPO Grading Agencies

Fitch Ratings India Private Limited

This IPO Grading is based on the information and the documents provided to us by the Company and other parties. Fitch India relies on all these parties for the accuracy of such informations and documents. Fitch India did not audit or verify the truth or accuracy of such information and does not take responsibility for the appropriateness of the information provided and used in our analysis. Fitch India provides this IPO grading "as is" and does not represent, warrant or guarantee (i) the accuracy, correctness, integrity, completeness or timeliness of any part of this IPO grading, or (ii) that this IPO Grading and the information and analyses contained in, and constituting a part of, this IPO Grading will fulfill any of the Company's or any third party's particular purposes or needs.

Fitch India is not the Company's advisor nor Fitch India is providing to the Company or to any other party any financial advice or any legal, auditing, accounting, appraisal, valuation or actuarial services. This IPO Grading should not be viewed as a replacement for such advice or services. Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between the Company and Fitch or between Fitch and any third party, including, without limitation, any user of this IPO Grading.

Fitch India is not responsible for any underwriting, credit, loan, purchase, strategic or investment decision, or damages or other losses resulting from use of this IPO Grading.

None of Fitch India, its officers, employees, affiliated companies and their officers and employees shall have any liability in contract, tort, or otherwise (including, without limitation for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits) in relation to the use of this IPO Grading by any third party. The report providing this IPO Grading is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the Company and its Agents in connection with the sale of Shares. In providing this IPO Grading, Fitch India is not making any recommendations or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan, or security of any issuer. This IPO Grading does not comment on the suitability of the issue process, the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including, without limitation, any accounting and / or regulatory treatment), the tax-exempt nature or taxability of payments made in respect of any investor, loan or security. Any person who uses this IPO Grading does so entirely at his own risk. Investors are advised to obtain individual financial advise based on their risk profile before taking any action based on this IPO Grading.

Crisil Limited

A CRISIL IPO Grading is a one-time assessment and reflects CRISIL's current opinion on the fundamentals of the graded equity issue in relation to other listed equity securities in India. A CRISIL IPO Grading is neither an audit of the Company by CRISIL nor is it a credit rating. Every CRISIL IPO Grading is based on the information provided by the Company or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the grading is based. A CRISIL IPO Grading is not a recommendation to buy / sell or hold the graded instrument; it does not comment on the issue price, future market price or suitability for a particular investor.

CRISIL is not Responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of CRISIL IPO Gradings.

Disclaimer from our Company and Book Running Lead Managers

Investors that apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Book Running Lead Managers and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Book Running Lead Managers and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

Our Company, the Director and the Book Running Lead Managers accept no responsibility for statements made otherwise than in the Red Herring Prospectus or in the advertisements or any other material issued by or at instance of the abovementioned entities and anyone placing reliance on any other source of information, including our website, www.aanlife.com would be doing so at his or her own risk.

The Book Running Lead Managers accept no responsibility, save to the limited extent as provided in the Issue Agreement entered into between the Book Running Lead Managers and our Company and the Underwritng Agreement to be entered into between the Underwriters and our Company.

Our Company and the Book Running Lead Managers shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at bidding centres etc.

Caution

Neither our Company nor the Book Running Lead Managers or any other member of the Syndicate is liable to the Bidders for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

The BRLMs and their associates and affiliates may engage in transactions with, and perform services for, our Company, affiliates or associates of our Company in the ordinary course of business and have engaged, and may in future engage, in the provision of financial services for which they have received, and may in future receive, compensation.

Disclaimer in Respect of Jurisdiction

The Issue is being made in India to persons resident in India (including Indian nationals resident in India who are eligible, Hindu Undivided Families (HUFs), minors applying through their legal / natural guardian, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission, if applicable), trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies, provident funds and pension funds and to permitted Non Residents including Eligible NRIs, FIIs and other eligible foreign investors, provided they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. The Red Herring Prospectus does not, however, constitute an invitation to subscribe to the Equity Shares issued hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Red Herring Prospectus comes is required to inform himself or her self about and to observe any such restrictions. Any dispute arising out of the Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been or will be taken to permit a public issuing in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus has been filed with SEBI for observations and Stock Exchanges. Accordingly, the Equity Shares, represented thereby may not be issued or sold, directly or indirectly, and the 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 the 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 from 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 under the US Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

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

Further, each Bidder where required agrees that such Bidder will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Filing of Prospectus with SEBI and the RoC

A copy of the Draft Red Herring Prospectus has been filed with the Corporation Finance Department of SEBI at SEBI Bhavan, Plot No. C4-A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India. A copy of the Red Herring Prospectus along with the documents required to be filed under Section 60B of the Companies Act would be delivered for registration to the RoC having its address at Everest Building 100, Marine Drive Mumbai – 400 002, Maharashtra, India at least three (3) days before the Bid/Issue Opening Date. The final Prospectus would be filed with the Corporation Finance Department of SEBI and the RoC at the respective aforesaid addresses upon closure of the Issue and on finalisation of the Issue Price.

Listing

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on BSE and NSE. Pursuant to applications made to BSE and NSE, in-principle approval for listing of the Equity Shares of our Company from BSE and NSE have been received *vide* their letters dated October 28, 2010 and December 24, 2010 respectively. BSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

In case the permission for listing of the Equity Shares is not granted by any of the above mentioned Stock Exchanges, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the Red Herring Prospectus. If such money is not repaid within 8 days after the day from which the Issuer becomes liable to repay it (i.e. from the date of refusal or within ten working days from the Bid/Issue Closing Date, whichever is earlier) then our Company and every director of our Company who is an officer in default shall, on and from expiry of 8 days, be jointly and severally liable to repay that money with interest, at 15% per annum on the application monies as prescribed under Section 73 of the Companies Act.

Our Company with the assistance of the Book Running Lead Managers shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges mentioned above are taken within twelve Working Days of Bid/Issue Closing Date.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, which is reproduced below:

"Any person who:

(a) makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or

(b) otherwise induces a company to allot, or register any transfer of shares therein to him, or any other person in a fictitious name,

shall be punishable with imprisonment for a term which may extend to five years."

Consents

Consents in writing of: our Directors; our Company Secretary and Compliance Officer; our Auditors; Bankers to our Company; Escrow Collection Bank(s)*; Refund Bank(s)*; Syndicate Members*; IPO Grading Agencies; BRLMs; the Registrar and the Legal Advisor to the Issue, to act in their respective capacities, have been obtained and will be filed along with a copy of the Red Herring Prospectus with the RoC as required under Sections 60 and Section 60B of the Companies

Act and such consents have not been withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC.

**The aforesaid will be appointed prior to filing of the Red Herring Prospectus with RoC and their consents as above would be obtained prior to the filing of the Red Herring Prospectus with RoC.*

Sunil Mistry & Co., our Statutory Auditor (peer review certified) has given its written consent to the inclusion of its report in relation to the restated financials of our Company and other reports in the form and context in which it appears in the Red Herring Prospectus and such consent and report has not been withdrawn up to the time of delivery of the Red Herring Prospectus for registration with RoC. .

Sunil Mistry & Co., our Statutory Auditor (peer review certified) has given its written consent to the inclusion of its report relating to possible tax benefits accruing to our Company and its members in the form and context in which it appears in the Red Herring Prospectus and such consent and report has not been withdrawn up to the time of delivery of the Red Herring Prospectus for registration with RoC..

Expert Opinion

Except the report of Fitch Ratings India Private Limited and CRISIL Limited in respect of the IPO grading of the Issue as mentioned in the chapter titled *"General Information"* beginning on page 47 of the Red Herring Prospectus andexcept for the reports of the auditors of our company, Sunail Mistry & Co. in respect of the information contained in section "*Financial Statements*" and "*Statement of Tax benefit*" beginning on pages 192 and 104 respectively, we have not obtained any expert opinions.

Public Issue Expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] lacs. The expenses of the Issue include, among others, underwriting and management fees, SCSB's commission/ fees, selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. All expenses with respect to the Issue would be paid by our Company. The estimated issue expenses are as under:

(₹ in lacs)

Sr. No.	Description	Estimated expense*	% of Total Expenses*	% of Total Issue Size*
1	Fees for the BRLMs	[●]	[●]	[●]
2	Fees for the Registrar to the Issue	[●]	[●]	[●]
3	Regulatory fees (including fee payable to SEBI, Stock Exchanges, etc.)	[●]	[●]	[●]
4	Fees payable to the Legal Advisor	[●]	[●]	[●]
5	Fees payable to the Auditors	[●]	[●]	[●]
6	Fees payable to IPO Grading Agencies	[●]	[●]	[●]
7	Marketing fee (including fee payable to advertising agencies)	[●]	[●]	[●]
8	Miscellaneous expenses	[●]	[●]	[●]
Total estimated Issue Expenses		**[●]**	**[●]**	**[●]**

**will be incorporated after finalisation of the Issue Price*

Details of Fees Payable

Fees Payable to the Book Running Lead Managers

The total fees payable to the Book Running Lead Managers will be as per the engagement letter dated June 07, 2010 and August 06, 2010 with ARAL and IDBI Caps respectively and agreement dated September 03, 2010, executed between our Company and ARAL and IDBI Caps, the copy of which is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated May 18, 2010, a copy of which is available for inspection at our Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post or through such other mode as may be permitted. .

IPO Grading

The IPO grading is assigned on a five point scale from 1 to 5 wherein an "IPO Grade 5" indicates strong fundamentals and "IPO Grade 1" indicates poor fundamentals. This Issue has been graded by two SEBI registered credit rating agencies i.e. Fitch Ratings India Private Limited and CRISIL Limited, and has been assigned the following IPO grading:

Fitch Ratings India Private Limited has assigned this Issue "FITCH IPO Grade 2/5" indicating below- average fundamentals through its letter dated March 21, 2011.

CRISIL Limited has assigned this Issue, "CRISIL IPO Grade 1/5" indicating poor fundamentals relative to other listed equity securities in India through its letter dated March 28, 2011, which is valid for a period of 60 days from March 28, 2011.

A copy of the report provided by Fitch Ratings India Private Limited and CRISIL Limited, furnishing the rationale for their grading have been annexed to the Red Herring Prospectus as Appendix A and Appendix B respectively, and will be made available for inspection at our Registered and Corporate Office from 10.00 a.m. to 4.00 p.m. on Working Days from the date of the Red Herring Prospectus until the Bid/Issue Closing Date.

Previous Rights and Public Issues during the Last Five Years

We have previously not made any rights or public issues during the last five years.

Previous Issues of Shares otherwise than for Cash

Except as stated in the chapter titled *"Capital Structure"* beginning on page 58 of the Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

Underwriting Commission, Brokerage and Selling Commission on Previous Issues

Since this is the initial public offering of the Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for, or agreeing to procure subscription for any of the Equity Shares of our Company since inception.

Particulars in regard to our Company and other listed companies under the same management within the meaning of Section 370 (1B) of the Companies Act which made any public/rights/composite issue during the last three years.

Our Promoter, Aasda Life Care Limited, is listed on the BSE and DSE*. However, there are no listed companies under the same management within the meaning of Section 370 (1B) of the Companies Act, which have made any public/ rights/ composite issue during the last three years. Our Company has not made any public/ rights/ composite issue during the last three years.

** Application for delisting has been made by letter dated July 08, 2009 addressed to the DSE.*

Note: Approval dated March 31, 2011 was issued by UPSE for delisting of the securities of Aasda Life Care Limited from UPSE with effect from March 30, 2011.

Promise versus Performance – Previous Issues of Company and Group Companies.

Our Company has not made any public issue of Equity Shares since its incorporation. Also, our corporate Promoter, Aasda Life Care Limited, is listed on the BSE and DSE* and has not made any public or rights issue in the past 10 years.

** Application for delisting has been made by letters dated July 08, 2009 addressed to the DSE.*

Note: Approval dated March 31, 2011 was issued by UPSE for delisting of the securities of Aasda Life Care Limited from UPSE with effect from March 30, 2011.

Outstanding Debentures, Bond Issues and Redeemable Preference Shares

Except as stated in the chapter titled *"Capital Structure"* beginning on page 58 of the Red Herring Prospectus, our Company has no outstanding debentures or bonds or redeemable preference shares as of the date of the Red Herring Prospectus.

Stock Market Data for our Equity Shares of our Company

This being an initial public offering of our Company, the Equity Shares of our Company are not listed on any stock exchange.

Mechanism for redressal of investor grievances

The Agreement between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least three year from the last date of despatch of the letters of Allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

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

Our Company has constituted a Shareholders Grievance Committee to look into the redressal of shareholder/ investor complaints such as Issue of duplicate/split/consolidated share certificates, allotment and listing of shares and review of cases for refusal of transfer/transmission of shares and debentures, complaints for non receipt of dividends etc. For further details on this committee, please refer paragraph titled "*Shareholders/Investors Grievance Committee*" beginning on page 167 under the Chapter titled "*Our Management*" beginning on page 153 of the Red Herring Prospectus.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Bid cum Application Form was submitted by the ASBA Bidders.

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 one month 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. The Registrar shall provide a status report of investor complaints on a fortnightly basis to our Company. Similar status reports are also be provided to our Company as and when required by our Company.

Our Board at its meeting held on April 20, 2010 has constituted a Shareholder's / Investor's Grievance Committee chaired by Dr. Ullooppee S. Badade and Mr. Giridhar G. Pulleti and Dr. Kannan K. Vishwanath as members.

The terms of reference of the said Committee are mentioned in the chapter titled "*Our Management*" beginning on page 153 of the Red Herring Prospectus.

Our Company assures that the following schedules shall be adhered to by the Board of Directors in respect of the complaints, if any, to be received.

Sr. No.	Nature of complaint	Time taken
1.	Non-receipt of the refund shares	Within 7 days of receipt of complaint, subject to production of satisfactory evidence
2.	Change of Address notification	Within 7 days of receipt of intimation by our Company
3.	Any other complaint in relation to Public Issue	Within 7 days of receipt of complaint with all relevant details

Our Company has appointed Mr. Sumant A. Khedekar, Company Secretary, as Compliance Officer who would directly deal with SEBI office with respect to implementation of various laws, rules, regulations and other directives issued by SEBI and matters related to investor complaints.

Mr. Sumant A. Khedekar may be contacted in case of any pre-Issue or post-Issue related problems, at the following address at:

Mr. Sumant A. Khedekar

Aanjaneya House,
Plot 34, Postal Colony,
Chembur,
Mumbai – 400 071,
Maharashtra, India.
Tel: + 91 2526 4500
Fax: + 91 2522 3251
Email: ipo@aanlife.com

Mechanism for Redressal of Investor Grievances by Listed Companies under the same management within meaning of Section 370(1B) of the Companies Act, 1956

For details on the mechanism evolved for redressal of investor grievances by our Promoter, Aasda Life Care Limited, please refer paragraph titled "*Mechanism for Redressal of Investor Grievance*" beginning on page 186 under the Chapter titled "*Our Promoters and their Background*" beginning on page 176 of the Red Herring Prospectus.

Changes in Auditors during the last three financial years and reasons thereof

There has been no change in Statutory Auditors of our Company in the last three financial years.

Capitalisation of Reserves or Profits

Our Company has not capitalised its reserves or profits at any time since inception.

Revaluation of Assets

Our Company has not revalued its assets since incorporation.

SECTION VIII – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being offered are subject to the provisions of the Companies Act, the Memorandum and Articles of Association of our Company, conditions of RBI approval, if any, the terms of the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus, Bid-cum-Application Form, ASBA Bid-cum-Application Form, the Revision Form, the Confirmation of Allocation Note ("**CAN**"), the listing agreement with the Stock Exchanges and other terms and conditions as may be incorporated in the Allotment Advice, and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, Government of India, Stock Exchanges, RBI, ROC, FIPB and / or other authorities, as in force on the date of the Issue and to the extent applicable.

Ranking of Equity Shares

The Equity Shares being offered shall be subject to the provisions of the Companies Act, Memorandum and Articles of Association and shall rank pari passu in all respects with the other existing shares of our Company including in respect of the rights to receive dividends. The Allottees of the Equity Shares in the Issue shall be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see the section titled "*Description of Equity Shares and Terms of the Articles of Association of our Company*" beginning on page 324 of the Red Herring Prospectus.

Mode of payment of dividend

We shall pay dividend to our shareholders as per the provisions of the Companies Act, the Articles and the Listing Agreements.

Face Value and Issue Price

The face value of each Equity Share is ₹ 10. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. At any given point of time there shall be only one denomination of Equity Shares, subject to applicable law. The Issue Price is [●] times the Face Value of the Equity Shares.

Price Band

The Price Band shall be from ₹ [●] to ₹ [●] per Equity Share of face value of ₹ 10 each.

Compliance with SEBI Rules and Regulations

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

Rights of the Equity Shareholder

Subject to applicable laws, the equity shareholders of our Company shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- Right of free transferability of Equity Shares; and

- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act the terms of the listing agreements executed with the Stock Exchanges, and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association such as those dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and / or consolidation / splitting, please refer to the section titled "*Description of equity shares and terms of the Articles of Association of our Company*" beginning on page 324 of the Red Herring Prospectus.

Market Lot

Under Section 68B of the Companies Act, the Equity Shares shall be allotted only in dematerialized form. In terms of existing SEBI ICDR Regulations, the trading in the Equity Shares shall only be in dematerialized form for all investors. Since trading of the Equity Shares is in dematerialized mode, the tradable lot is one Equity Share. Allocation and allotment of Equity Shares through the Issue will be done only in electronic form, in multiple of one Equity Share, subject to a minimum allotment of [●] Equity Shares. For details of allocation and allotment, please refer to the chapter titled "*Issue Procedure*" beginning on page 293 of the Red Herring Prospectus.

Joint Holders

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.

Jurisdiction

Exclusive jurisdiction for the purpose of the Issue is with the competent courts/authorities in Mumbai, India.

Nomination Facility to the Investor

In accordance with Section 109A of the Companies Act, the sole or first bidder, along with other joint bidder, 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 in accordance with Section 109A of the Companies Act, 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 Company's Registered Office or to our Registrar and Transfer Agents.

In accordance with Section 109B of the Companies Act, any person who becomes a nominee by virtue of the provisions of Section 109A of the Companies Act, shall upon the production of such evidence as may be required by the Board, elect either:

1. to register himself or herself as the holder of the Equity Shares; or
2. 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 monies 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 investors require changing the nomination, they are requested to inform their respective depository participant.

Bidding Period

Bidders may submit their Bids only in the Bidding Period. The Bid/Issue Opening Date is May 09, 2011 and the Bid/Issue Closing Date is May 12, 2011.

Minimum Subscription

If we do not receive the minimum subscription of 90% of the Issue through Red Herring Prospectus including devolvement of Underwriters within 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 8 days after our Company becomes liable to pay the amount, our Company shall pay interest as prescribed under Section 73 of the Companies Act.

Further, in accordance with Clause 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be Allotted will be not less than 1,000.

Withdrawal of the Issue

Our Company, in consultation with the BRLMs reserves the right not to proceed with the Issue at any time, after the Bid/Issue Opening Date, but before Allotment of Equity Shares. 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 / deciding not to proceed with the Issue, providing reasons for not proceeding with the Issue. Our Company shall also promptly inform the same to the stock exchanges on which our Equity Shares are proposed to be listed. Any further issue of Equity Shares by our Company shall be in compliance with applicable laws. If the Issue is withdrawn after the Bid / Issue Closing date, our Company shall be required to file a fresh offer document with SEBI. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one day from the day of receipt of such notification.

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

Arrangement for disposal of odd lot

The Equity Shares will be traded in dematerialized form only and therefore the marketable lot is one (1) Equity Share. Hence, there is no possibility of any odd lots.

Application by Eligible NRIs, FIIs and Foreign Venture Capital Funds registered with SEBI

As per the extant policy of the Government of India, OCBs cannot participate in the Issue. The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, there exists a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors. It is to be distinctly understood that there is no reservation for NRIs, FIIs or FCVIs registered with SEBI, applicants will be treated on the same basis with other categories for the purpose of allocation.

The allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to,

or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act). The Equity Shares shall be sold only outside the United States in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

The above information is given for the benefit of the Bidders. The Bidders are advised to make their own enquiries about the limits applicable to them. Our Company and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the BRLMs are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

Restriction on Transfer of Shares

There are no restrictions on transfers and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Red Herring Prospectus and in the Articles of Association of our Company. For further details refer to section titled *"Description of Equity Shares and Terms of the Articles of Association"* beginning on page 324 of the Red Herring prospectus.

Pursuant to the existing regulations, OCBs are not eligible to participate in the Issue. Further, NRIs who are not Eligible NRIs are not permitted to participate in the Issue. Equity Shares acquired by Eligible NRIs can be only sold to any other person eligible to acquire the same in accordance with all applicable laws, rules and regulations.

Sub accounts of FIIs registered with SEBI, being foreign corporate or foreign individuals are not eligible to participate in the Issue in the QIB Portion.

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

The Equity Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

Issue of Equity Shares in dematerialized form in the Issue

In accordance with the SEBI ICDR Regulations, Equity Shares will be issued, transferred and Allotment shall be made only in the dematerialized form to the Allottees. Allottees will 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.

ISSUE STRUCTURE

The present Issue is of 50,00,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating to ₹ [●] lacs (the "Issue"). The Issue will constitute 39.76% of the post Issue paid-up capital of our Company.

Particulars	QIBs	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for allocation*	Not more than 25,00,000 Equity Shares (of which 1,25,000 Equity Shares shall be available for allocation to Mutual Funds)	Not less than 7,50,000 Equity Shares or Issue size less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation	Not less than 17,50,000 Equity Shares or Issue size less allocation to QIB Bidders and Non Institutional Bidders shall be available for allocation
Percentage of Issue Size available for Allotment/ Allocation*	Not more than 50% of the Issue (of which 5% shall be available for allocation to Mutual Funds) Mutual Funds participating in the 5% reservation in the QIB Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund reservation will be available to QIBs. Upto 30% of the QIB Portion shall be available for allocation to Anchor Investors on a discretionary basis, out of which one – third portion shall be reserved for domestic Mutual Funds.	Not less than 15% of the Issue or the Issue less allocation to the QIB Bidders and Retail Individual Bidders shall be available for allocation.	Not less than 35% of the Issue or the Issue less allocation to the QIB Bidders and Non Institutional Bidders shall be available for allocation.
Basis of proportionate Allotmant/Allocation if respective category is oversubscribed**	Proportionate as follows: (a) 1,25,000 Equity Shares (to be adjusted for Anchor Investor Portion***, if applicable) aggregating ₹ [●] lacs shall be available for allocation on a proportionate basis to Mutual Funds; and (b) 23,75,000 Equity Shares (to be adjusted for Anchor Investor Portion***, if applicable) aggregating to ₹ [●] lacs shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above.	Proportionate	Proportionate

Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds ₹ 2,00,000	Such number of Equity Shares that the Bid Amount exceeds ₹ 2,00,000.	[●] Equity Shares
Maximum Bid	Not exceeding the size of the Issue subject to applicable limits	Not exceeding the size of the Issue subject to applicable limits	Such number of Equity Shares whereby Bid Amount does not exceed ₹ 2,00,000.
Mode of Allotment	Compulsorily in dematerialized form	Compulsorily in dematerialized form	Compulsorily in dematerialized form
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Allotment Lot	[●] Equity Shares and in multiples of one thereafter	[●] Equity Shares and in multiples of one thereafter	[●] Equity Shares and in multiples of one thereafter
Trading Lot/ Market Lot	One Equity Share	One Equity Share	One Equity Share
Who can Bid	A mutual fund, venture capital fund and foreign venture capital investor registered with SEBI; a foreign institutional investor and sub- account (other than a sub- account which is a foreign corporate or foreign individual), registered with SEBI; a public financial institution as defined in Section 4A of the Companies Act, 1956; a scheduled commercial bank; a multilateral and bilateral development financial institution; a start industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority (IRDA); provident funds with minimum corpus of ₹ 2500 lacs; and pension funds with minimum corpus of ₹ 2500 lacs; and National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India, Insurance funds set up and managed by army ,navy or air force of the Union of India and Insurance funds set up and managed by the Department	Resident Indian individuals, eligible NRIs, HUF, applying through their Karta, minors applying through their natural guardian companies, corporate bodies, scientific institution, societies, trust, sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals.	Resident Indian individuals (including HUF, applying through their Karta, minors applying through their natural guardian) and Eligible NRIs applying for Equity Shares such that the Bid Amount does not exceed ₹ 2,00,000 in value

	of Posts, India.		
Terms of Payment	Bid Amount shall be payable at the time of submissions of Bid cum Application Form to the BRLMs (including Anchor Investor) and submission of ASBA Form to SCSB. In case of ASBA bidders, the SCSB shall be authorised to block the bid amount mentioned in the ASBA Form.	Bid Amount shall be payable at the time of submissions of Bid cum Application Form to the Syndicate Members and submission of ASBA Form to SCSB In case of ASBA bidders, the SCSB shall be authorised to block the bid amount mentioned in the ASBA Form.	Bid Amount shall be payable at the time of submissions of Bid cum Application Form to the Syndicate Members and submission of ASBA Form to SCSB In case of ASBA bidders, the SCSB shall be authorised to block the bid amount mentioned in the ASBA Form.

* Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in QIBs, Non-Institutional and Retail Individual categories would be allowed to be met with spill over inter-se from any other categories, at the sole discretion of our Company, the BRLMs, the Designated Stock Exchange and subject to applicable provisions of SEBI ICDR Regulations.

** If the aggregate demand by Mutual Funds is less than 1,25,000 Equity Shares the balance Equity Shares available for allocation in the Mutual Fund Portion will first be added to the QIB Portion and be allocated proportionately to the QIB Bidders in proportion to their Bids.

*** Allocation to Anchor Investors shall be on a discretionary basis subject to minimum number of two Anchor Investors. The minimum bid for Anchor Investors shall be such number of Equity Shares so that the Bid Amount exceeds ₹ 1,000 lacs.

In case the Bid cum Application Form is submitted in joint names, the investors should ensure that the demat account is also held in the same joint names and in the same sequence in which they appear in the Bid cum Application Form.

ISSUE PROCEDURE

This section applies to all Bidders. Please note that all Bidders can participate in the Issue through the ASBA process. ASBA Bidders should note that the ASBA process involves application procedures that are different from the procedure applicable to Bidders other than the ASBA Bidders. Bidders applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that all Bidders are required to make the full Bid Amount or instruct the relevant SCSB to block the full Bid Amount along with the application.

Book Building Procedure

The Issue is being made through a 100% Book Building Process wherein not more than 50% of the Issue shall be available for allocation to Qualified Institutional Buyers on a proportionate basis. 5% of the Net QIB Portion (excluding the Anchor Investors Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for Allotment on a proportionate basis to QIBs and Mutual Funds, subject to valid bids being received from them at or above the Issue Price. Upto 30% of the QIB Portion shall be available for allocation to Anchor Investors and one-third of the Anchor Investor Portion shall be available for allocation to domestic Mutual Funds. Further, not less than 15% of the Issue would be available for allocation to Non-Institutional Bidders and not less than 35% of the Issue would be available for allocation to Retail Individual Bidders on a proportionate basis, subject to valid bids being received from them at or above the Issue Price. Allocation to Anchor Investors shall be on a discretionary basis and not on a proportionate basis.

All Bidders other than ASBA Bidders are required to submit their Bids through the Syndicate. ASBA Bidders are required to submit their Bids to the SCSBs. Bids by QIBs will only have to be submitted through the BRLMs or its affiliates or the Syndicate Members. The QIBs who bid through the ASBA process shall submit their Bids to the designated branch of the SCSBs and should intimate the BRLMs.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including the DP ID Numbers and the beneficiary account number, shall be treated as incomplete and rejected. Bid cum Application Forms which do not have the details of the Bidders' PAN, (other than Bids made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

Bid-cum-Application Form

Bidders (other than the ASBA Bidders) are required to submit their Bids through the Bids by QIBs will only have to be submitted through the BRLMs or its affiliates or the Syndicate Members. Such Bidders shall only use the Bid cum Application Form bearing the stamp of a BRLMs or Syndicate Member for making a Bid in terms of the Red Herring Prospectus.

ASBA Bidders shall submit an ASBA Bid cum Application Form either in physical or electronic form to the SCSB authorising blocking of funds that are available in the bank account specified in the ASBA Bid cum Application Form used by the ASBA Bidders. The QIBs who bid through the ASBA process shall submit their Bids to the designated branch of the SCSBs and should intimate the BRLMS.

The Bidder shall have the option to make a maximum of three Bids in the Bid cum Application Form and such options shall not be considered as multiple Bids. Upon the allocation of Equity Shares, dispatch of the CAN and filing of the Prospectus with the RoC, the Bid cum Application Form shall be considered as the Application Form. Upon completion and submission the Bid cum Application Form to the Syndicate (and in the case of an ASBA Bid cum Application form, to the SCSB) the Bidder is deemed to have authorized us to make the necessary changes in the Red Herring Prospectus and the Bid-cum-Application Form as would be required for filing the Prospectus with the RoC and as would be required by SEBI and / or the RoC after such filing, without prior or subsequent notice of such changes to the Bidder.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis	**White**
Eligible NRIs, FIIs or Foreign Venture Capital Funds, registered Multilateral and Bilateral Development Financial Institutions applying on a repatriation basis	**Blue**
ASBA Bidders	
Residential ASBA Bidders	**White**
Non-resident ASBA Bidders	**Blue**
Anchor Investors*	**White**

** Bid cum Application forms for Anchor Investors shall be made available at the office of the BRLMS and at the Syndicate Members.*

Who can Bid?

1. Indian nationals resident in India who are majors, in single or joint names (not more than three);
2. 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 the Karta XYZ", where XYZ is the name of the Karta. Bids by HUFs would be considered at par with those from individuals;
3. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares;
4. Mutual Funds registered with SEBI;
5. Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI regulations and SEBI regulations, as applicable);
6. Multilateral and bilateral development financial institution;
7. Venture capital funds registered with SEBI;
8. Foreign venture capital investors registered with SEBI subject to compliance with applicable laws, rules, regulations, guidelines and approvals in the Issue;
9. FIIs and sub-accounts registered with SEBI other than a sub-account which is a foreign corporate or foreign individual subject to compliance with applicable laws, rules, regulations, guidelines and approvals in the Issue;
10. Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional Bidders category;
11. State Industrial Development Corporations;
12. Insurance companies registered with the Insurance Regulatory and Development Authority;
13. Provident funds with a minimum corpus of ₹ 2,500 lacs and who are authorized under their constitution to hold and invest in equity shares;
14. Pension funds a with minimum corpus of ₹ 2,500 lacs and who are authorized under their constitution to hold and invest in equity shares;
15. National Investment Fund set up by resolution F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
16. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts and who are authorized under their respective constitutions to hold and invest in equity shares;
17. Eligible NRIs on a repatriation basis or on a non-repatriation basis subject to applicable local laws. NRIs other than Eligible NRIs are not eligible to participate in the Issue;
18. Scientific and/or industrial research organizations authorized under their constitution to invest in equity shares;
19. Insurance funds set up and managed by army, navy or air force of the Union of India;
20. Insurance funds set up and managed by the Department of Posts, India; and
21. Any other QIBs permitted to invest, subject to compliance with applicable laws, rules, regulations, guidelines and approvals in the Issue.

As per the existing regulations, OCBs are not eligible to participate in the Issue.

Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Participation by associates and affiliates of BRLMs and Syndicate Members

The BRLMs and the Syndicate Members shall not be entitled to subscribe to the Issue in any manner except towards fulfilling their underwriting obligations. Associates and affiliates of the BRLMs and the Syndicate Members may subscribe for Equity Shares in the Issue, including in the Net QIB Portion and Non-Institutional Portion as may be applicable to such Bidder, where the allocation is on a proportionate basis. Such bidding and subscription may be on their own account or their clients.

The BRLMs and any persons related to the BRLMs, the Promoter and the Promoter Group cannot apply in the Issue under the Anchor Investor Portion.

Bids by Mutual Funds

As per the current regulations, the following restrictions are applicable for investments by Mutual Funds:

An eligible Bid by a Mutual Fund shall first be considered for allocation proportionately in the Mutual Fund Portion. In the event that the demand is greater than 1,25,000 Equity Shares, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by the Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the Net QIB Portion, after excluding the allocation in the Mutual Fund Portion.

One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors.

No mutual fund scheme shall invest more than 10% of its net asset value in the equity shares or equity related instruments of any company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights. These limits would have to be adhered to by the mutual funds for investment in the Issue. In case of a mutual fund, a separate Bid can be made in respect of each scheme of the mutual fund registered with SEBI and such Bids in respect of more than one scheme of the mutual fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

Bids by Eligible NRIs

Bid cum Application forms have been made available for Eligible NRIs at the Registered Office of our Company, Corporate Office of our Company, BRLMs with Syndicate Members and with select Members of the Syndicate.

Eligible NRIs may please note that only such applications as are accompanied by payment in free foreign exchange or by debit to their Non Resident External (NRE) / Foreign Currency Non Resident (FCNR) accounts shall be considered for Allotment under the Eligible NRI category on repatriable basis. The NRIs who intend to make payment through Non-Resident Ordinary (NRO) i.e. on non repatriation basis accounts shall use the Bid cum Application Form meant for Resident Indians and shall not use the forms meant for Eligible NRIs.

Bids by FIIs

As per the current regulations, the following restrictions are applicable for investments by FIIs:

The Issue of Equity Shares to a single FII should not exceed 10% of the post-Issue paid-up capital of our Company. In respect of a FII investing in Equity Shares of our Company on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of the total issued capital of our Company or 5% of our total issued capital in case such sub-account is a foreign corporate or foreign individual.

In accordance with the foreign investment limits, the aggregate FII holding in our company cannot exceed 24% of our total issued capital. With the approval of the Board and the Shareholders by way of a special resolution, the aggregate FII holding can go up to 100%. However, as on this date, no such resolution has been recommended to the Shareholders for adoption.

A sub account of a FII which is a foreign corporate or foreign individual shall not be considered to be a Qualified Institutional Buyer, as defined under the SEBI Regulations, for the Issue.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended (the "SEBI FII Regulations"), an FII or its sub-account may issue, deal or hold, offshore derivative instruments (defined under the SEBI FII Regulations as any instrument, by whatever name called, which is issued overseas by an FII 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. The FII or sub-account 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 as defined under the SEBI FII Regulations. Associates and affiliates of the underwriters including the BRLMs and the Syndicate Members that are FIIs may issue offshore derivative instruments against Equity Shares Allotted to them in the Issue. Any such offshore derivative instrument does not constitute any obligation of, claim on or an interest in our Company.

Bids by SEBI registered Venture Capital Funds and Foreign Venture Capital Investors

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 *inter alia* prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. Accordingly, the holding by any individual venture capital fund registered with SEBI should not exceed 25% of its corpus. However, venture capital funds or foreign venture capital investors may invest not more than 33.33% of their respective investible funds in various prescribed instruments, including in initial public offers.

Bids under the Anchor Investor Portion

Our Company may, in consultation with the BRLMs, consider participation by Anchor Investors in the Issue for up to 7,50,000 Equity Shares in accordance with the applicable SEBI ICDR Regulations. The QIB Portion shall be reduced in proportion to the allocation under the Anchor Investor category. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. The key terms for participation in the Anchor Investor Portion are as follows:

a. Anchor Investors shall be QIBs;
b. A Bid by an Anchor Investor must be for a minimum of such number of Equity Shares that the Bid Amount exceeds ₹ 1,000 lacs and in multiples of [●] Equity Shares thereafter. Anchor Investors cannot submit a Bid for more than 30% of the QIB Portion.
c. One-third of the Anchor Investor Portion (i.e. 2,50,000 Equity Shares) shall be reserved for allocation to domestic Mutual Funds.
d. The minimum number of allotees in the Anchor Investor Portion shall not be less than:
   - two, where the allocation under Anchor Investor Portion is up to ₹ 25,000 lacs; and
   - five, where the allocation under Anchor Investor Portion is more than ₹ 25,000 lacs.
e. Anchor Investors shall be allowed to Bid under the Anchor Investor only on the Anchor Investor Bidding Date (i.e., one day prior to the Bid / Issue Opening Date).
f. Our Company shall, in consultation with the BRLMs, finalise allocation to the Anchor Investors on a discretionary basis, subject to compliance with requirements regarding minimum number of Allottees under the Anchor Investor Portion.
g. Allocation to Anchor Investors shall be completed on the day of bidding by Anchor Investors

h. The number of Equity Shares allocated to successful Anchor Investors and the price at which the allocation is made, shall be made available in public domain by the BRLMs before opening of Bidding on the Bid/Issue Opening Date.
i. Anchor Investors shall pay the entire Bid Amount at the time of submission of their Bid. In case the Issue Price is greater than the Anchor Investor Price, any additional amount being the difference between the Issue Price and Anchor Investor Price shall be payable by the Anchor Investors. In the event the Issue Price is lower than the Anchor Investor Price, the allotment to Anchor Investors shall be at Anchor Investor Price.
j. The Equity Shares allotted in the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment in the Issue.
k. Neither the BRLMs, nor any person related to the BRLMs, our Promoters, members of our Promoter Group or Group Companies, shall participate in the Anchor Investor Portion.
l. Bids made by QIBs under both the Anchor Investor Portion and the Net QIB Portion shall not be considered as multiple Bids.
m. The instruments for payment into the Escrow Account should be drawn in favour of:
    - In case of Resident Anchor Investors: "**Aanjaneya Public Issue – Escrow Account – Anchor Investor - R";**
    - In case of Non-Resident Anchor Investor: "**Aanjaneya Public Issue – Escrow Account – Anchor Investor - NR"**

Additional details, if any, regarding participation in the Issue under the Anchor Investor Portion shall be disclosed in the advertisement for the Price Band published by our Company, in one English national daily newspaper, one Hindi national daily newspaper and one regional daily newspaper with wide circulation, where the Registered Office of our Company is situated, at least two Working Days prior to the Bid / Issue Opening Date.

The above information is given for the benefit of the Bidders. Our Company and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their own independent investigations and are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

Maximum and Minimum Bid Size

For Retail Individual Bidders: The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed ₹ 2,00,000. In case of revision of Bids, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed ₹ 2,00,000. Where the Bid Amount is over ₹ 2,00,000 due to a revision in the Bid or a revision in the Price Band or upon exercise of the option to bid at Cut-off Price, the Bid would be considered for allocation under the Non-Institutional Portion. The Cut-off Price option is given only to Retail Individual Bidders indicating their agreement to the Bid and to acquire the Equity Shares at the Issue Price as determined at the end of the Book Building Process.

For Non-Institutional Bidders and QIBs Bidders: The Bid must be for a minimum of such Equity Shares such that the Bid Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. A Bid cannot be submitted for more than the size of the Issue. However, the maximum Bid by a QIB should not exceed the investment limits prescribed for them by the regulatory or statutory authorities governing them. Under SEBI ICDR Regulations, a QIB Bidder cannot withdraw its Bid after the Bid/Issue Closing Date, as applicable and is required to pay the entire Bid Amount upon submission of Bid.

In case of revision in Bids, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than ₹ 2,00,000 to be considered for allocation in the Non-Institutional Portion. In case the Bid Amount reduces to ₹ 2,00,000 or less due to a revision in the Bids or a revision in the Price Band, Bids by Non-Institutional Bidders who are eligible for allocation in the Non-Institutional Portion would be considered for allocation under the Retail Portion. Non-Institutional Bidders and QIB Bidders are not allowed to Bid at Cut-off Price.

For Bidders in the Anchor Investor Portion: Only QIBs can participate in the Anchor Investor Portion. The Bid must be for a minimum of such number of Equity Shares such that the Bid Amount is for ₹ 1,000 lacs or more and in multiples of [•] Equity Shares thereafter. Bids by Anchor Investors under the Anchor Investor Portion and in the Net QIB Portion shall not be considered as multiple Bids. A Bid cannot be submitted for more than 30% of the QIB Portion. **Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/ Issue Period and are required to pay the entire Bid amount at the time of submission of the Bid.**

Information for Bidders

1. Our Company and the BRLMs shall declare the Bid/Issue Opening Date and the Bid/Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national daily newspapers (one each in English and Hindi) and in one regional daily newspaper with vide circulation, where the Registered Office of our Company is situated. This advertisement shall be in the prescribed format.

2. Our Company will file the Red Herring Prospectus with the ROC at least three days prior to the Bid/ Issue Opening Date.

3. The Syndicate and the SCSBs, as applicable, will circulate copies of the the Bid cum Application Form to potential investors and at the request of potential investors, copies of the Red Herring Prospectus. The SCSB shall ensure that the abridged prospectus is made available on its website.

4. Any Bidder (who is eligible to invest in our Equity Shares) who would like to obtain the Red Herring Prospectus and / or the Bid cum Application Form can obtain the same from our Registered Office or Corporate Office or from the members of the Syndicate or the SCSBs.

5. Eligible Bidders who are interested in subscribing the Equity Shares should approach the members of the Syndicate or the SCSBs (as applicable) to register their Bid. Bidders can also approach the Designated Branch of the SCSBs to register their Bids under the ASBA process.

6. The Bids should be submitted on the prescribed Bid cum Application Form only. Bid cum Application Forms (other than the ASBA Bid cum Application Form) should bear the stamp of the BRLMs or Syndicate Member otherwise they will be rejected. Bids by ASBA Bidders shall be accepted by the Designated Branches of SCSBs in accordance with the SEBI ICDR Regulations and any circulars issued by SEBI in this regard.

Method and Process of Bidding

1. Our Company in consultation with the BRLMs shall decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in one English national daily newspaper, one Hindi national daily newspaper and one regional daily newspaper with wide circulation, where the Registered Office of our Company is situated, at least two Working Days prior to the Bid/ Issue Opening Date. This advertisement, subject to the provisions of Section 66 of the Companies Act, shall be in the format prescribed in Schedule XIII of the SEBI ICDR Regulations. The Price Band and the minimum Bid Lot for the Issue will be decided by our Company in consultation with the BRLMs including the relevant financial ratios computed for both the Cap Price and Floor Price. The Syndicate and the SCSBs shall accept Bids from the Bidders during the Bid/Issue Period.

2. The Bid/Issue Period shall be a minimum of three Working Days and not exceeding ten Working Days (including the days for which the Issue is open in case of revision in Price Band). In case the Price Band is revised, the revised Price Band and Bidding Period will be published in one English national daily, one Hindi national daily and one regional daily newspaper with wide circulation, where the Registered Office of our Company is situated and the Bid/Issue Period may be extended, if required, by an additional three Working Days, subject to the total Bid/Issue Period not exceeding ten Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be published in two national newspapers (one each in English and Hindi) and one regional daily newspaper with wide circulation, where the Registered Office of our Company is situated, and also by indicating the change on the website of the BRLMs and at the terminals of the members of the Syndicate.

3. Each Bid cum Application Form will give the Bidder the choice to bid for up to three optional prices (for details refer to the paragraph entitled "Bids at Different Price Levels" below) and specify the demand (i.e. the number of Equity Shares bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares bid for by a Bidder at or above the Issue Price will be considered for allocation and the rest of the Bid(s), irrespective of the Bid Price, will become automatically invalid.

4. The Bidder cannot Bid on another Bid cum Application Form after his or her Bids on one Bid cum Application Form have been submitted to any member of the Syndicate or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate or SCSBs will be treated as multiple Bids and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in the Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph titled "Build up of the Book and Revision of Bids". Provided that Bids submitted by a QIB in the Anchor Investor Portion and in the Net QIB Portion will not be considered as Multiple Bids.

5. Except in relation to Bids received from the Anchor Investors, the members of the Syndicate/SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction registration Slip, (TRS), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.

6. The BRLMs shall accept Bids from the Anchor Investors during the Anchor Investor Bid/Issue Period i.e. one Working Day prior to the Bid/ Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and in the Net QIB Portion shall not be considered as multiple Bids.

7. During the Bid/Issue Period, Bidders (other than QIBs) may approach any of the member of the Syndicate to submit their Bid. The member of the Syndicate shall accept Bids from all the Bidders and shall have the right to vet the Bids in accordance with the terms of the Syndicate Agreement and the Red Herring Prospectus. Bidders who wish to use the ASBA process should approach the Designated Branches of the SCSBs to register their Bids.

8. Along with the Bid cum Application Form, all Bidders (other than ASBA Bidders) will make payment in the manner described under the paragraph titled '*Payment Instructions*' beginning on page 310 of the Red Herring Prospectus.

9. Upon receipt of the ASBA Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the ASBA Bid cum Application Form, prior to uploading such Bids with the Stock Exchanges.

10. If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchanges.

11. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.

Bids at Different Price Levels and Revision of Bids

The Bidders can Bid at any price within the Price Band, in multiples of ₹ 1. The Price Band and the minimum Bid Lot Size for the Issue shall be decided by our Company, in consultation with the BRLMs, and advertised in three daily newspapers (one in English, one in Hindi, and in one regional daily newspaper, with wide circulation, where the Registered Office of our Company is situated,) at least two Working Days prior to the Bid/Issue Opening Date.

1. In accordance with SEBI ICDR Regulations, our Company, in consultation with the BRLMs, reserves the right to revise the Price Band during the Bid/Issue Period, provided the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price disclosed at least two Working Days prior to the Bid/ Issue Opening Date and the Cap Price will be revised accordingly.

2. Our Company in consultation with the BRLMs can finalise the Issue Price within the Price Band in accordance with this clause, without the prior approval of, or intimation, to the Bidders.

3. Our Company, in consultation with the BRLMs, can finalise the Anchor Investor Issue Price within the Price Band in accordance with this clause, without the prior approval of, or intimation, to the Anchor Investors.

4. Bidders can bid at any price within the Price Band. Bidders have to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders applying for a maximum Bid in any of the bidding options not exceeding ₹ 2,00,000 may bid at Cut-off Price. However, bidding at Cut-off Price is prohibited for QIBs and Non-Institutional Bidders and such Bids from QIBs and Non-Institutional Bidders shall be rejected.

5. Retail Individual Bidders who Bid at the Cut-off Price agree that they shall acquire the Equity Shares at any price within the Price Band. Retail Individual Bidders bidding at Cut-off Price shall deposit the Bid Amount based on the Cap Price. In the event the Bid Amount is higher than the subscription amount payable by the Retail Individual Bidders who Bid at Cut-off Price (i.e. the total number of Equity Shares allocated in the Issue multiplied by the Issue Price), the Retail Individual Bidders, who Bid at Cut-off Price, shall receive the refund of the excess amounts from the Refund Account(s). In case of ASBA Bidder bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block amount based on the Cap Price.

6. In case of an upward revision in the Price Band announced as above, Retail Individual Bidders who had bid at Cut-Off Price could either (i) revise their Bid or (ii) make additional payment based on the cap of the revised Price Band, with the members of the Syndicate or the SCSBs to whom the original Bid was submitted. In case the total amount (i.e. original Bid Amount plus additional payment) exceeds ₹ 2,00,000, the Bid will be considered for allocation under the Non Institutional Bidders category in terms of the Red Herring Prospectus. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted for the purpose of allocation, such that no additional payment would be required from the Bidder and the Bidder is deemed to have approved such revised Bid at Cut-off.

7. In case of a downward revision in the Price Band, Retail Individual Bidders who have bid at Cut-off Price could either revise their Bid or the excess amount paid at the time of bidding would be refunded from the Refund Account(s) or unblocked by the SCSBs, as applicable.

8. Our Company, in consultation with the BRLMs, shall decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 5,000 to ₹ 7,000.

IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS, EQUITY SHARES WILL BE ISSUED, TRANSFERRED AND ALLOTMENT SHALL BE MADE ONLY IN THE DEMATERIALISED FORM TO THE ALLOTTEES. ALLOTTEES WILL HAVE THE OPTION TO RE-MATERIALISE THE EQUITY SHARES, IF THEY SO DESIRE, AS PER THE PROVISIONS OF THE COMPANIES ACT AND THE DEPOSITORIES ACT IT IS MANDATORY FOR ALL THE BIDDERS TO GET THEIR EQUITY SHARES IN DEMATERIALISED FORM. ALL BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE BID CUM APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE BID CUM APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE BID CUM APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE

DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE BID CUM APPLICATION FORM.

The trading of the Equity Shares of our Company would be in dematerialised form only for all investors in the demat segment of the respective Stock Exchanges. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under the relevant laws, rules, regulations, guidelines and approvals.

Escrow Mechanism, terms of payment and payment into the Escrow Accounts

For details of the escrow mechanism and payment instructions, please refer to paragraph titled "*Issue Procedure – Payment Instructions*" beginning on page 310 of the Red Herring Prospectus.

Electronic Registration of Bids

1. The members of the Syndicate and the SCSBs will register the Bids using the on-line facilities of the Stock Exchanges. There will be at least one on-line connectivity to each city where a stock exchange is located in India and where the Bids are being accepted. The BRLMs, our Company and the Registrar to the Issue are not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Bids accepted by the members of the Syndicate and the SCSBs, (ii) the Bids uploaded by the members of the Syndicate and the SCSBs, (iii) the Bids accepted but not uploaded by the members of the Syndicate and the SCSBs or (iv) with respect to ASBA Bids, Bids accepted and uploaded without blocking funds in the ASBA Accounts. However, the respective member of the Syndicate and / or the SCSBs shall be responsible for any errors in the Bid details uploaded by them. It shall be presumed that for the Bids uploaded by the SCSBs, the Bid Amount has been blocked in the relevant ASBA Account.

2. The Stock Exchanges will offer a screen-based facility for registering Bids for the Issue. This facility will be available on the terminals of the members of the Syndicate, their authorized agents and the SCSBs during the Bid/Issue Period. The Syndicate Member and the Designated Branches can also set up facilities for off-line electronic registration of Bids subject to the condition that they will subsequently download the off-line data file into the on-line facilities for book building on a regular basis. On the Bid/Issue Closing Date, the members of the Syndicate and the Designated Branches of the SCSBs shall upload the Bids till such time as may be permitted by the Stock Exchanges. This information will be available with the BRLMs on a regular basis. Bidders are cautioned that a high inflow of bids typically experienced on the last day of the bidding may lead to some Bids received on the last day not being uploaded due to lack of sufficient uploading time, and such bids that could not uploaded will not be considered for allocation. Bids will only be accepted on working days, i.e., Monday to Friday (excluding any public holiday).

3. The aggregate demand and price for Bids registered on the electronic facilities of NSE and BSE will be downloaded on a regular basis, consolidated and displayed on-line at all bidding centers. A graphical representation of the consolidated demand and price would be made available at the bidding centers and the websites of the Stock Exchanges during the Bid/Issue Period along with category wise details.

4. At the time of registering each Bid (other than ASBA Bidder), the member of the Syndicate shall enter the following details of the Bidder in the on-line system:

    - Name of the Bidder(s): Bidders should ensure that the name given in the Bid-cum-Application Form is exactly the same as the name in which the Depository Account is held. In case the Bid-cum-Application Form is submitted in joint names, Bidders should ensure that the Depository Account is also held in the same joint names and are in the same sequence in which they appear in the Bid-cum-Application Form;
    - Investor Category such as Individual, Corporate, NRI, FII or Mutual Fund, etc.;
    - Numbers of Equity Shares Bid for;
    - Bid Amount;
    - Price option;

- Cheque Amount;
- Cheque Number;
- Bid-cum-Application Form number;
- Depository Participant Identification Number and Client Identification Number of the Demat Account of the Bidder; and
- PAN, except for Bids on behalf of the Central and State Governments, residents of the state of Sikkim and officials appointed by the courts

With respect to ASBA Bids, at the time of registering each Bid, the Designated Branches of the SCSBs shall enter the following information pertaining to the Bidder into the electronic bidding system:

- Name of the Bidder(s)
- ASBA Bid cum Application Form Number
- PAN (of First Bidder if more than one Bidder)
- Investor Category and Sub-Category:

Retail	Non-institutional	QIBs
(No sub category)	**- Individual** **- Corporate** **- Other**	**- Mutual Funds** **- Financial Institutions** **- Insurance companies** **- Foreign Institutional Investors other than corporate and individual** **- Sub- accounts**

- DP ID and client identification number
- Quantity
- Price
- Bank Account Number
- Cheque Number
- Cheque Amount

5. A system generated TRS will be given to the Bidder as a proof of the registration of each of the bidding options. **It is the Bidder's responsibility to request and obtain the TRS from the member of the Syndicate or the Designated Branches of the SCSBs.** The registration of the Bid by the member of the Syndicate or the Designated Braches of the SCSBs does not guarantee that the Equity Shares shall be allocated either by the BRLMs or the Syndicate Member or our Company.

6. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.

7. In case of QIB Bidders, bidding in the Net QIB Portion, the BRLMs or Syndicate Members can reject the Bids at the time of accepting the Bid provided that the reason for such rejection is provided in writing. Bids under the Non-Institutional Portion and Bids under the Retail Individual Portion would not be rejected except on the technical grounds listed in the Red Herring Prospectus. The members of the Syndicate may also reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect. The SCSB shall have no right to reject Bids except on technical grounds.

8. It is to be distinctly understood that the permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Red

Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

9. Only Bids that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/ Allotment. The members of the Syndicate will be given up to one day after the Bid/Issue Closing Date to verify DP ID and Client ID uploaded in the online IPO system during the Bid/Issue Period after which the data will be sent to the Registrar to the Issue for reconciliation and Allotment of Equity Shares. In case of discrepancy of data between BSE or NSE and the members of the Syndicate or the Designated Branches of the SCSBs, the decision of our Company, in consultation with the BRLMs and the Registrar to the Issue, shall be final and binding on all concerned.

10. Details of Bids in the Anchor Investor Portion will not be registered on the on-line facilities of electronic facilities of BSE and NSE. In the event such Bid Amount has not been blocked, the Anchor Investor's Bid shall be rejected.

Build Up of the Book and Revision of Bids

1. Bids registered by various Bidders through the members of the Syndicate and SCSBs shall be electronically transmitted to the BSE or NSE mainframe on a regular basis.

2. The book gets built up at various price levels. This information will be available with the BRLMs on a regular basis at the end of the Bid/Issue Period.

3. During the Bidding Period, any Bidder who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the price band using the printed Revision Form, which is a part of the Bid cum Application Form.

4. Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form. Apart from mentioning the revised options in the Revision Form, the Bidder must also mention the details of all the options in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has bid for three options in the Bid cum Application Form and he is changing only one of the options in the Revision Form, he must still fill the details of the other two options that are not being changed, in the Revision Form. Incomplete or inaccurate Revision Forms will not be accepted by the members of the Syndicate and the Designated Branches of the SCSBs.

5. The Bidder can make this revision any number of times during the Bidding Period. However, for any revision(s) of the Bid, the Bidders will have to use the services of the same members of the Syndicate or the SCSB through whom the Bidder had placed the original Bid. Bidders are advised to retain copies of the blank Revision Form and the revised Bid must be made only in such Revision Form or copies thereof.

6. In case of an upward revision in the Price Band announced as above, Retail Individual Bidders who had Bid at Cut-off Price could either (i) revise their Bid or (ii) shall make additional payment based on the cap of the revised Price Band (such that the total amount i.e., original Bid Amount plus additional payment does not exceed ₹ 2,00,000 if the Bidder wants to continue to Bid at Cut-off Price), with the members of the Syndicate to whom the original Bid was submitted. In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 2,00,000, the Bid will be considered for allocation under the Non-Institutional Portion in terms of the Red Herring Prospectus. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Bidder and the Bidder is deemed to have approved such revised Bid at Cut-off Price.

7. In case of a downward revision in the Price Band, announced as above, Retail Individual Bidders, who have bid at Cut-off Price could either revise their Bid or the excess amount paid at the time of bidding would be refunded from the Refund Account.

8. Our Company in consultation with the BRLMs, shall decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 5,000 to ₹ 7,000.

9. Any revision of the Bid shall be accompanied by payment in the form of cheque or demand draft for the incremental amount, if any, to be paid on account of the upward revision of the Bid. The excess amount, if any, resulting from downward revision of the Bid would be returned to the Bidder at the time of refund in accordance with the terms of the Red Herring Prospectus. With respect to the ASBA Bids, if revision of the Bids results in an incremental amount, the relevant SCSB shall block the additional Bid amount. In case of Bids, other than ASBA Bids, the members of the Syndicate shall collect the payment in the form of cheque or demand draft if any, to be paid on account of upward revision of the Bid at the time of one or more revisions. In such cases, the members of the Syndicate will revise the earlier Bid details with the revised Bid and provide the cheque or demand draft number of the new payment instrument in the electronic book. The Registrar to the Issue will reconcile the Bid data and consider the revised Bid data for preparing the Basis of Allotment.

10. When a Bidder revises his or her Bid, he or she shall surrender the earlier TRS and get a revised TRS from the member of the Syndicate or SCSBs, as applicable. **It is the responsibility of the Bidder to request for and obtain the revised TRS, which will act as proof of his or her having revised the previous Bid.**

11. The Syndicate Members may modify selected fields (viz. DP ID and Client ID) in the Bid details already uploaded upto one day post the Bid/Issue Closing Period.

Price Discovery and Allocation

After the Bid/Issue Closing Date, the BRLMs will analyze the demand generated at various price levels and discuss pricing strategy with our Company. Our Company, in consultation with BRLMs, shall finalise the Issue Price, the number of Equity Shares to be allotted and the allocation to successful Bidders.

1. Not more than 50% of the Issue (including 5% of Net QIB Portion specifically reserved for Mutual Funds) would be available for allocation on a proportionate basis to QIBs after consultation with Designated Stock Exchange, subject to valid Bids being received at or above the Issue Price. Upto 30% of the QIB Portion shall be available for allocation to Anchor Investors and one-third of the Anchor Investor Portion shall be available for allocation to domestic Mutual Funds.

2. Not less than 15% and not less than 35% of the Issue, would be available for allocation on a proportionate basis to Non-Institutional Bidders and Retail Individual Bidders, respectively, in consultation with Designated Stock Exchange, subject to valid Bids being received at or above the Issue Price.

3. Undersubscription, if any, in any category would be allowed to be met with spill over from any of the other categories at the discretion of our Company in consultation with the BRLMs. However, if the aggregate demand by Mutual Funds is less than 1,25,000 Equity Shares, the balance Equity Shares available for allocation in the Mutual Fund Portion will first be added to the Net QIB Portion and be allocated proportionately to the QIB Bidders. In the event that the aggregate demand in the Net QIB Portion has not been met, under-subscription, if any, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the BRLMs.

4. Allocation to Anchor Investors shall be at the discretion of our Company in consultation with the BRLMs, subject to compliance with the SEBI ICDR Regulations. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion.

5. Allocation to Eligible NRIs or FIIs or Foreign Venture Capital Investor registered with SEBI, Multilateral and Bilateral Development Financial Institutions applying on repatriation basis will be subject to applicable laws, rules, regulations, guidelines and approvals.

6. Our Company reserves the right to cancel the Issue any time after the Bid/Issue Closing Date but before Allotment and the reasons thereof shall be given as a public notice within two days of the cancellation of the

Bid/Issue Closing Date. The public notice will be issued in the same newspapers where the statutory pre-Issue advertisements had appeared. Further the Stock Exchanges will also be informed promptly.

7. In terms of SEBI ICDR Regulations, QIB Bidders bidding in the Net QIB Portion shall not be allowed to withdraw their Bid after the Bid/ Issue Closing Date.

8. If the Issue Price is higher than the Anchor Investor Allocation Price, the additional amount shall be paid by the Anchor Investors. However, if the Issue Price is lower than the Anchor Investor Allocation Price, the difference shall not be payable to the Anchor Investors.

9. The Basis of Allotment details shall be put up on the website of the Registrar to the Issue.

Signing of Underwriting Agreement and RoC Filing

1. Our Company, the BRLMs and the Syndicate Members shall enter into an Underwriting Agreement on finalization of the Issue Price and allocation(s) to the Bidders.

2. After signing the Underwriting Agreement, our Company and the Book Running Lead Managers would update and file the updated Red Herring Prospectus with RoC, which then would be termed the 'Prospectus'. The Prospectus will contain details of the Issue Price, Issue Size, underwriting arrangements and will be complete in all material respects.

Filing with the ROC

We will file a copy of the Red Herring Prospectus and Prospectus with the RoC in terms of Section 56, Section 60 and Section 60B of the Companies Act.

Pre-Issue Advertisement

Subject to Section 66 of the Companies Act, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one English language national daily newspaper, one Hindi language national daily newspaper and one regional language newspaper with wide circulation, where the Registered Office of our Company is situated.

Advertisement regarding Issue Price and Prospectus

A statutory advertisement will be issued by our Company after the filing of the Prospectus with the RoC in an English national daily newspaper, a Hindi national daily newspaper and a regional daily newspaper, each with wide circulation, where the Registered Office of our Company is situated. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Price. Any material updates between the Red Herring Prospectus and the Prospectus will be included in such statutory advertisement.

Issuance of Confirmation of Allocation Note ("CAN")

1. Upon approval of Basis of Allotment by the Designated Stock Exchange, the Registrar to the Issue shall send to the BRLMs and Syndicate Members a list of their Bidders who have been allocated Equity Shares in the Issue. The approval of the Basis of Allocation by the Designated Stock Exchange for QIB Bidders (including Anchor Investors) may be done simultaneously with or prior to the approval of the Basis of Allocation for the Retail and Non-Institutional Bidders. However, Bidders should note that our Company shall ensure that (i) the Allotment of the Equity Shares and (ii) the instructions by our Company for the demat credit of the Equity Shares, to all Bidders in the Issue shall be done on the same date.

2. The Registrar to the Issue will then dispatch the CAN to the Bidders who have been allocated Equity Shares in the Issue. The dispatch of CAN shall be deemed a valid, binding and irrevocable contract for the Bidder to pay the entire Issue Price for the Allotment to such Bidder.

3. The Issuance of CAN shall be deemed a valid, binding and irrevocable contract for the Allotment of Equity Shares to such Bidder.

4. Bidders who have been allocated Equity Shares and who have already paid the Bid Amount into the Escrow Account(s) at the time of bidding shall directly receive the CAN from the Registrar to the Issue subject, however, to realisation of his or her cheque or demand draft paid into the Escrow Account(s). The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

The Issuance of CAN is subject to "Notice to Anchor Investors - Allotment Reconciliation and Revised CANs" as set forth below.

Notice to Anchor Investors: Allotment Reconciliation and Revised CANs

A physical book will be prepared by the Registrar to the Issue on the basis of the Bid cum Application Forms received from Anchor Investors. Based on the physical book and at the discretion of our Company and the BRLMs, select Anchor Investors may be sent a CAN, within two Working Days of the Anchor Investor Bid/ Issue Period, indicating the number of Equity Shares that may be allocated to them. This provisional CAN and the final allocation is subject to the physical application being valid in all respect along with receipt of stipulated documents, the Issue Price being finalised at a price not higher than the Anchor Investor Issue Price and Allotment by the Board of Directors. In the event that the Issue Price is higher than the Anchor Investor Issue Price, a revised CAN will be sent to Anchor Investors. The price of Equity Shares in such revised CAN may be different from that specified in the earlier CAN. Anchor Investors should note that they shall be required to pay additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within two Working Days after the Bid/ Issue Closing Date. Any revised CAN, if issued, will supersede in entirety the earlier CAN.

Notice to QIBs bidding in the Net QIB Portion: Allotment Reconciliation and Revised CANs

QIBs bidding in the Net QIB Portion will be sent a CAN, indicating the number of Equity Shares that may be allocated to them after the final Basis of Allotment, as approved by the Designated Stock Exchange and reflected in the reconciled physical book prepared by the Registrar to the Issue. The CAN will constitute the valid, binding and irrevocable contract (subject only to the issue of a revised CAN, if any) for the QIB to pay the entire Issue Price for all the Equity Shares allocated to such QIB. Any revised CAN, if issued, will supersede in its entirety the earlier CAN.

Designated Date and Allotment of Equity Shares

1. Our Company will ensure that (i) Allotment of Equity Shares; and (ii) credit to the successful Bidder's depository account will be completed within ten Working Days of the Bid/Issue Closing Date.

2. As per SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, in the manner stated in the Depositories Act.

Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

General Instructions

Do's:

a) Check if you are eligible to apply;
b) Read all the instructions carefully and complete the Bid cum Application Form;
c) Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;

d) Ensure that the Bids are submitted at the bidding centres only on forms bearing the stamp of a the BRLMs or Syndicate Member or with respect to ASBA Bidders ensure that your Bid is submitted at a Designated Branch of the SCSB where the ASBA Bidders or the person whose bank account will be utilised by the ASBA Bidder for bidding has a bank account;
e) With respect to ASBA Bids ensure that the ASBA Bid cum Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the ASBA Bid cum Application Form;
f) Ensure that you have requested for and receive a TRS for all your Bid options;
g) Ensure that you have funds equal to the Bid Amount in your bank account maintained with the SCSB before submitting the ASBA Bid cum Application Form to the respective Designated Branch of the SCSB;
h) Instruct your respective banks to not release the funds blocked in the bank account under the ASBA process;
i) Ensure that the full Bid Amount is paid for the Bids submitted to the members of the Syndicate and funds equivalent to the Bid Amount are blocked in case of any Bids submitted though the SCSBs;
j) Submit revised Bids to the same member of the Syndicate through whom the original Bid was placed and obtain a revised TRS;
k) Ensure that the Bid is within the Price Band;
l) Ensure that you mention your PAN allotted under the I.T. Act with the Bid cum Application Form, except for Bids on behalf of the Central and State Governments, residents of the state of Sikkim and officials appointed by the courts;
m) Ensure that the Demographic Details (as defined hereinbelow) are updated, true and correct in all respects.
n) Ensure that the name(s) given in the Bid cum Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form.

Don’ts:

a) Do not Bid for lower than the minimum Bid size;
b) Do not Bid/ revise Bid price to less than the Floor Price or higher than the Cap Price;
c) Do not Bid on another Bid cum Application Form after you have submitted a Bid to the member of the Syndicate or the SCSB, as applicable;
d) Do not pay the Bid amount in cash, by money order or by postal order;
e) Do not provide your GIR number instead of your PAN number.
f) Do not send Bid cum Application Forms by post; instead submit the same to members of the Syndicate or the SCSBs, as applicable;
g) Do not Bid at Cut-off price (for QIBs and Non-Institutional Bidders);
h) Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);
i) 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 Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations; and
j) Do not submit Bid accompanied with Stock invest.

Instructions for completing the Bid cum Application Form

Bidders can obtain Bid cum Application Forms and / or Revision Forms from the any of the member of the Syndicate or from our Registered Office or our Corporate Office. **ASBA Bid cum Application Forms can be obtained from the Designated Branches of the SCSBs. ASBA Bid cum Application Forms shall also be available at the website of the respective stock exchanges at www.bseindia.com and www.nseindia.com.**

Bids and Revisions of Bids

Bids and revisions of Bids must be:

Made only in the prescribed Bid cum Application Form or Revision Form, as applicable.

Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein, in the Bid cum Application Form or in the Revision Form. Incomplete Bid cum Application Forms or Revision Forms are liable to be rejected. Bidders should note that the members of the Syndicate and / or the SCSBs (as appropriate) will not be liable for errors in data entry due to incomplete or illegible Bid cum Application Forms or Revision Forms.

Information provided by the Bidders will be uploaded in the online IPO system by the members of the Syndicate and SCSBs, as the case may be, and the electronic data will be used to make allocation/Allotment. Please ensure that the details are correct are legible.

a) The Bids from the Retail Individual Bidders must be for a minimum of [●] Equity Shares and in multiples of [●] thereafter subject to a maximum Bid amount of ₹ 2,00,000.
b) For Non-institutional and QIB Bidders, bidding under the Net QIB Portion, Bids must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. All Individual Bidders whose maximum bid amount exceeds₹ 2,00,000 would be considered under this category. Bids cannot be made for more than the Issue Size. Bidders are advised to ensure that a single Bid from them should not exceed the investment limits or maximum number of Equity Shares that can be held by them under the applicable laws or regulations.
c) For Anchor Investors, Bids must be for a minimum of such number of Equity Shares that the Bid Amount exceeds or equal to ₹ 1,000 lacs and in multiples of [•] Equity Shares thereafter.
d) In single name or in joint names (not more than three and in the same order as their Depository Participant details).
e) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

Bidder's Depository Account and Bank Account Details

Bidders should note that on the basis of the Permanent Account Number of the Sole/First Bidder, Depository Participant's name, Depository Participant-Identification number and Beneficiary Account Number provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including category, age, address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds (including through physical refund warrants, direct credit, ECS/NECS, NEFT and RTGS) to the Bidders or unblocking the ASBA account. Hence, Bidders are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in despatch/ credit of refunds to Bidders at the Bidders sole risk and neither the BRLMs or our Company shall have any responsibility and undertake any liability for the same. Hence, Bidders should carefully fill in their Depository Account details in the Bid cum Application Form.

IT IS MANDATORY FOR ALL THE BIDDERS TO GET THEIR EQUITY SHARES IN DEMATERIALISED FORM. ALL BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE BID CUM APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE BID CUM APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE BID CUM APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE BID CUM APPLICATION FORM.

These Demographic Details would be used for all correspondence with the Bidders including mailing of the CANs/Allocation Advice and making refunds as per the modes disclosed and the Demographic Details given by Bidders in the Bid cum Application Form would not be used for any other purposes by the Registrar to the Issue. Hence, Bidders are advised to update their Demographic Details as provided to their Depository Participants and ensure that they are true and correct. By signing the Bid cum Application Form, Bidder would have deemed to authorize the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Refund orders (where refunds are not being made electronically)/Allocation Advice/CANs would be mailed at the address of the Bidder as per the Demographic Details received from the Depositories. Such communication may get

delayed if the same once sent to the address obtained from the depositories are returned undelivered. In such an event, the address and other details given by the Bidder (other than ASBA Bidders) in the Bid cum Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Bidders sole risk and neither our Company, the Registrar to the Issue, Escrow Collection Bank(s) nor the BRLMs shall be liable to compensate the Bidder for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that matches three parameters, namely, PAN of the sole/first Bidder, the Depository Participant's identity (DP ID) and the beneficiary's identity, then such Bids are liable to be rejected.

Bids under Power of Attorney

In case of Bids (including ASBA Bids) made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds and pension funds, 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 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.

In addition to the above, certain additional documents are required to be submitted by the following entities:

a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form
b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2,500 lacs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 lacs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form. Our Company, in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and the BRLMs may deem fit. Our Company in our absolute discretion, reserve the right to permit the holder of the power of attorney to request the Registrar to the Issue that for the purpose of printing particulars on the refund order and mailing of the refund order/CANs/allocation advice, the Demographic Details given on the Bid cum Application Form should be used (and not those obtained from the Depository of the Bidder). In such cases, the Registrar to the Issue shall use Demographic Details as given in the Bid cum Application Form instead of those obtained from the depositories.

Bids by Non-Residents, NRIs, FIIs and Foreign Venture Capital Investors registered with SEBI on a repatriation basis.

Bids and revision to Bids must be made in the following manner:

a) On the Bid cum Application Form or the Revision Form, as applicable, and completed in full in BLOCK LETTERS in ENGLISH in accordance with the instructions contained therein.
b) In a single name or joint names (not more than three and in the same order as their Depository Participant Details).
c) Bids on a repatriation basis shall be in the names of individuals, or in the name of FIIs but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees. Bids by Eligible NRIs for a Bid Amount of up to ₹. 2,00,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than ₹ 2,00,000 would be considered under Non-Institutional Portion for the purposes of allocation.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and / or commission. In case of Bidders who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into US Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Bidders so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Bid cum Application Form. Our Company will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

As per the existing policy of the Government of India, OCBs are not permitted to participate in the Issue.

There is no reservation for Eligible NRIs and FIIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Payment Instructions

Escrow Mechanism for Bidders other than ASBA Bidders

Our Company and the BRLMs shall open Escrow Accounts with one or more Escrow Collection Bank(s) in whose favor the Bidders shall make out the cheque or demand draft in respect of their Bid and/or revision of the Bid. Cheques or demand drafts received for the full Bid Amount from Bidders in a certain category would be deposited in the Escrow Account. The Escrow Collection Bank(s) will act in terms of the Red Herring Prospectus and an Escrow Agreement to be entered into amongst our Company, the BRLMs, Escrow Collection Bank(s) and Registrar to the Issue. The monies in the Escrow Account shall be maintained by the Escrow Collection Bank(s) for and on behalf of the Bidders. The Escrow Collection Bank(s) shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Bidders. On the Designated Date, the Escrow Collection Bank(s) shall transfer the monies from the Escrow Account to the Public Issue Account with the Bankers to the Issue as per the terms of the Escrow Agreement. The balance amount after transfer to the Public Issue account shall be transferred to the Refund Account. Payments of refunds to the Bidders shall also be made from the Refund Account as per the terms of the Escrow Agreement and the Red Herring Prospectus.

The Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between the Escrow Collection Bank(s), our Company, Registrar to the Issue and BRLMs to facilitate collection from the Bidders.

Payment mechanism for ASBA Bidders

The ASBA Bidders shall specify the bank account number in the ASBA Bid cum Application Form and the SCSB shall block an amount equivalent to the Bid Amount in the bank account specified in the ASBA Bid cum Application Form. The SCSB shall keep the Bid Amount in the relevant bank account blocked until receipt of instructions from the Registrar to the Issue to unblock the Bid Amount. The Bid Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount to the Public Issue Account.

Payment into Escrow Account for Bidders other than ASBA Bidders:

Each Bidder shall draw a cheque or demand draft or remit the funds electronically through the RTGS mechanism for the amount payable on the Bid and/or on allocation/Allotment as per the following terms:

All Bidders would be required to pay the full Bid Amount at the time of the submission of the Bid cum Application Form.

1. QIB, Non-Institutional Bidders and Retail Individual Bidders shall, with the submission of the Bid cum Application Form, draw a payment instrument for the Bid Amount in favour of the Escrow Account and submit the same to the members of the Syndicate, as applicable. If the payment is not made favouring the Escrow Account along with the Bid cum Application Form, the Bid of the Bidder shall be liable to be rejected.

Anchor Investors would be required to pay the Bid Amount at the time of submission of the application form through RTGS mechanism. In the event of Issue Price being higher than the price at which allocation is made to Anchor Investors, the Anchor Investors shall be required to pay such additional amount to the extent of shortfall between the price at which allocation is made to them and the Issue Price. If the Issue Price is lower than the price at which allocation is made to Anchor Investors, the amount in excess of the Issue Price paid by Anchor Investors shall not be refunded to them.

2. The payment instruments for payment into the Escrow Account should be drawn in favor of:

- In case of Resident QIB Bidders: "**Escrow Account – Aanjaneya Public Issue - QIB - R**";
- In case of Non-Resident QIB Bidders: "**Escrow Account – Aanjaneya Public Issue - QIB - NR";**
- In case of Resident Retail and Non Institutional Bidders: **"Escrow Account – Aanjaneya Public Issue - R";**
- In case of Non Resident Retail and Non Institutional Bidders: **"Escrow Account – Aanjaneya Public Issue NR";**

3. In case of bids by NRIs applying on a repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in the Non-Resident External (NRE) Accounts or the Foreign Currency Non-Resident Accounts (FCNR), maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of Non-Resident Ordinary (NRO) account of Non Resident Bidder bidding on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to the NRE Account or the Foreign Currency Non- Resident Account.

4. In case of Bids by NRIs applying on non-repatriation basis, the payments must be made through Indian Rupee Drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in Non-Resident External (NRE) Accounts or Foreign Currency Non-Resident (FCNR) Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance or out of a Non-Resident Ordinary (NRO) Account of a Non-Resident Bidder bidding on a non-repatriation basis. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or FCNR or NRO Account.

5. In case of Bids by FIIs, the payment should be made out of funds held in Special Non Resident Rupee Account 'SPNR' along with documentary evidence in support of the remittance. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to Special Non Resident Rupee Account 'SPNR'.

6. Where a Bidder has been allocated a lesser number of Equity Shares than the Bidder has Bid for, the excess amount, if any, paid on bidding, after adjustment towards the balance amount payable on the Equity Shares allocated, will be refunded to the Bidder from the Refund Accounts.

7. The monies deposited in the Escrow Account will be held for the benefit of the Bidders (other thea ASBA Bidders) till the Designated Date.

8. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds from the Escrow Account as per the terms of the Escrow Agreement into the Public Issue Account with the Banker to the Issue.

9. No later than ten working days from the Bid/Issue Closing Date, the Refund Bank shall refund all amounts payable to unsuccessful Bidders (other than ASBA Bidders) and also the excess amount paid on Bidding, if any, after adjusting for allocation to the successful Bidders payments should be made by cheque, or a demand draft drawn on any bank (including a Co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Bid cum Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected. Cash/ stock invest/money orders/ postal orders will not be accepted.

10. Bidders are advised to mention the number of application form on the reverse of the cheque / demand draft to avoid misuse of instruments submitted along with the Bid cum Application Form.

11. In case clear funds are not available in the Escrow Accounts as per final certificates from the Escrow Collection Bank(s), such Bids are liable to be rejected.

Payment by Stock invest

In terms of Reserve Bank of India Circular No. DBOD No. FSC BC 42/24.47.00/2003-04 dated November 5, 2003, the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of bid money has been withdrawn. Hence, payment through stockinvest would not be accepted in the Issue.

Payment by cash / money order

Payment through cash/ money order shall not be accepted in the Issue.

Submission of Bid cum Application Form

All Bid cum Application Forms or Revision Forms duly completed and accompanied by account payee cheques or drafts shall be submitted to the members of the Syndicate at the time of submission of the Bid. With respect to ASBA Bidders, the ASBA Bid cum Application Form or the ASBA Revision Form shall be submitted to the Designated Branches of the SCSBs.

No separate receipts shall be issued for the money payable on the submission of Bid cum Application Form or Revision Form. However, the collection centre of the members of the Syndicate will acknowledge the receipt of the Bid cum Application Forms or Revision Forms by stamping and returning to the Bidder the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Bid cum Application Form for the records of the Bidder.

Other Instructions

Joint Bids in the case of Individuals

Bids may be made in single or joint names (not more than three). In the case of joint Bids, all payments / refunds will be made out in favour of the Bidder whose name appears first in the Bid cum Application Form or Revision Form ('First Bidder'). All communications will be addressed to the First Bidder and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Bids

A Bidder should submit only one Bid (and not more than one) for the total number of Equity Shares required. Two or more Bids will be deemed to be multiple Bids if the sole or First Bidder is one and the same. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories. It is clarified, however, that Bidders shall have the option to make a maximum of three Bids in the Bid cum Application Form and such options shall not be considered multiple Bids.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- All Bids will be checked for common PAN and Bids with common PAN will be accumulated and taken to a separate process file which would serve as a multiple master In this master, a check will be carried out for the same PAN. In cases where the PAN is different, the same will be deleted from this master.
- The Bids will be scrutinized for DP ID and Beneficiary Account Numbers. In case applications bear the same DP ID and Beneficiary Account Numbers, these will be treated as multiple applications.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Funds registered with SEBI and such Bids in respect of more than one scheme will not be treated as multiple Bids provided that the Bids clearly indicates the scheme for which the Bid has been made. Bids by QIBs under the Anchor Investor Portion and in Net QIB Portion will not be considered as multiple Bids.

ASBA Bids made by duplicate copies of the same ASBA Bid cum Application Form (i.e. two ASBA Bid cum Application Forms bearing the same unique identification number) shall be treated as multiple Bids and shall be rejected.

Permanent Account Number ("PAN")

The Bidder or in the case of a Bid in joint names, each of the Bidders, should mention his/her PAN allotted under the I.T. Act. Applications without this information and documents will be considered incomplete and are liable to be rejected. **It is to be specifically noted that Bidders should not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground.**

This requirement is not applicable to Bids received on behalf of the Central and State Governments, from residents of the state of Sikkim and from officials appointed by the courts

Right to Reject Bids

In case of QIB Bidders, bidding under the Net QIB Portion, our Company, in consultation with the BRLMs may reject Bids provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders and Retail Individual Bidders our Company has a right to reject Bids on technical grounds. Consequent refunds shall be made by RTGS/NEFT/ECS/NECS/Direct Credit / cheque or pay order or draft and will be sent to the Bidder's address at the Bidder's risk. With respect to ASBA Bids, the Designated Branches of the SCSBs shall have the right to reject ASBA Bids if at the time of blocking the Bid Amount in the Bidder's bank account, the respective Designated Branch ascertains that sufficient funds are not available in the Bidder's bank account maintained with the SCSB. Subsequent to the acceptance of the ASBA Bid by the SCSB, our Company would have a right to reject the ASBA Bids only on technical grounds.

Grounds for Technical Rejections

Bidders are advised to note that Bids are liable to be rejected among others on the following technical grounds:

1) Amount paid does not tally with the highest number of Equity Shares Bid for. With respect to ASBA Bids, the amounts mentioned in the ASBA Bid cum Application Form does not tally with the amount payable for the value of the Equity Shares Bid for;

2) 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;

3) Bids by Persons not competent to contract under the Indian Contract Act, 1872, including minors, insane persons;

4) Age of the First Bidder

5) PAN number not stated and GIR number given instead of PAN number, except for Bids on behalf of the Central and State Governments, residents of the state of Sikkim and officials appointed by the courts;

6) Bids for lower number of Equity Shares than specified for that category of investors;

7) Bids at a price less than the Floor Price;

8) Bids at a price more than the Cap Price;

9) Submission of more than five ASBA Bid cum Application forms per bank account;

10) Bids at cut-off price by Non-Institutional and QIB Bidders;

11) Bids for number of Equity Shares which are not in multiples of [●];

12) Category not ticked;

13) Multiple bids as defined in the Red Herring Prospectus;

14) In case of Bid under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;

15) Bids accompanied by Stock invest/ money order/postal order/cash;

16) Signature of sole and / or joint bidders missing. With respect to ASBA Bids, the Bid cum Application form not being signed by the account holders, if the account holder is different from the Bidder;

17) Bid cum Application Form does not have the stamp of the BRLMs or Syndicate Member;

18) ASBA Bid cum Application Form does not have the stamp of the SCSB, except for ASBA Bid cum Application Forms downloaded from the websites of the Stock Exchanges, in which case the ASBA Bid Cum Application Forms shall bear an unique application number;

19) Bids by QIBs not submitted through the BRLMs / Syndicate Members or in case of ASBA Bids for QIBs, not intimated to the BRLMs / Syndicate Members;

20) Bid cum Application Form does not have Bidder's depository account details;

21) In case no corresponding record is available with the Depository that matches three parameters: PAN of the sole name of the Bidder, Depository Participant's identity (DP ID) and beneficiary's account number;

22) Bid cum Application Forms are not delivered by the Bidders within the time prescribed as per the Bid cum Application Form, Bid/Issue Opening Date advertisement and the Red Herring Prospectus and as per the instructions in the Red Herring Prospectus and the Bid cum Application Form;

23) With respect to ASBA Bids, inadequate funds in the bank account to block the Bid Amount specified in the ASBA Bid cum Application Form at the time of blocking such Bid Amount in the bank account;

24) Bids for amounts greater than the maximum permissible amounts prescribed by the regulations. For further details, please refer to the paragraph titled '*Issue Procedure - Maximum and Minimum Bid Size*' beginning on page 297 of the Red Herring Prospectus;

25) Bids where clear funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Bank(s);

26) Bids by persons in the United States

27) Bids by any person outside India if not in compliance with applicable foreign and Indian Laws;

28) Bids not uploaded on the terminals of the Stock Exchanges;

29) Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

30) Bids by OCBs;

31) In case the DP ID, client ID and PAN mentioned in the Bid Cum Application Form and entered into the electronic bidding system of the Stock Exchanges by the members of the Syndicate do not match with the DP ID, client ID and PAN available in the records with the depositories. Non-submissions of bank account details in the space provided in the application form; and

32) ASBA Applications made by using duplicate copy of ASBA Bid cum Application Form downloaded from the website of the Stock Exchanges (i.e. two ASBA Bid cum Application Forms bearing the same unique identification number).

33) Bids or revision thereof by QIB Bidders and Non-Institutional Bidders where the Bid amount is in excess of ₹ 2,00,000 uploaded after 4.00 p.m. on the Bid/ Issue Closing Date.

34) Bids by NRIs not disclosing their residential status

Basis of Allotment or Allocation

For Retail Individual Bidders

1. 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.

2. The Issue less Allotment to Non-Institutional and QIB Bidders 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.

3. If the aggregate demand in this category is less than or equal to 17,50,000 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.

4. If the aggregate demand in this category is greater than 17,50,000 Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis not less than [•] Equity Shares and in multiples of [•] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

For Non-Institutional Bidders

1. 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.

2. The Issue Size less Allotment to QIBs and Retail Portion 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.

3. If the aggregate demand in this category is less than or equal to7,50,000 Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

4. In case the aggregate demand in this category is greater than 7,50,000 Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis not less than [•] Equity Shares and in multiples of [•] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

For Qualified Institutional Bidders in the Net QIB Portion

1. Bids received from the QIB Bidders bidding in the Net QIB Portion at or above the Issue Price shall be grouped together to determine the total demand under this portion. The Allotment to all the QIB Bidders will be made at the Issue Price.

2. The Net QIB Portion shall be available for Allotment to QIB Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.

3. Allotment shall be undertaken in the following manner:

(a) In the first instance allocation to Mutual Funds for up to 5% of the Net QIB Portion shall be determined as follows:

   i. In the event that Mutual Fund Bids exceeds 5% of the Net QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for up to 5% of the Net QIB Portion.

   ii. In the event that the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid bids received above the Issue Price.

   iii. Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;

(b) In the second instance Allotment to all QIBs bidding in the Net QIB portion shall be determined as follows:

   i. Under-subscription below 5% of the Net QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis.

   ii. In the event that the oversubscription in the Net QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis for up to 95% of the Net QIB Portion.

   iii. Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIB Bidders.

The aggregate Allotment available for allocation to QIB Bidders bidding in the Net QIB Portion shall not be more than [•] Equity Shares.

For Anchor Investor Portion

Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of our Company, in consultation with the BRLMs, subject to compliance with the following requirements:

- not more than 30% of the QIB Portion will be allocated to Anchor Investors;
- one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors;
- allocation to Anchor Investors shall be on a discretionary basis and subject to a minimum number of two Anchor Investors for allocation upto ₹ 250 crores and minimum number of five Anchor Investors for allocation more than ₹ 250 crores .
- The number of Equity Shares Allotted to Anchor Investors and the Anchor Investor Issue Price, shall be made available in the public domain by the BRLMs before the Bid/ Issue Opening Date by intimating the Stock Exchanges.

Method of proportionate Basis of Allotment in the Issue

In the event of the Issue being over-subscribed, we shall finalise the Basis of Allotment in consultation with the Designated Stock Exchange. The Executive Director (or any other senior official nominated by them) of the Designated Stock Exchange along with the BRLMs and the Registrar to the Issue shall be responsible for ensuring that the Basis of Allotment is finalised in a fair and proper manner.

The Allotment shall be made in marketable lots, on a proportionate basis as explained below:

a. Bidders will be categorised according to the number of Equity Shares applied for;

b. The total number of Equity Shares to be allotted to each category as a whole shall be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;

c. Number of Equity Shares to be Allotted to the successful Bidders will be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio.

d. In all Bids where the proportionate Allotment is less than [●] Equity Shares per Bidder, the Allotment shall be made as follows:

   i. Each successful Bidder shall be allotted a minimum of [●] Equity Shares; and

   ii. The successful Bidders out of the total Bidders for a category shall be determined by draw of lots in a manner such that the total number of Equity Shares allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above.

e. If the proportionate Allotment to a Bidder is a number that is more than [●] but is not a multiple of one (which is the marketable lot), the number in excess of the multiple of one would be rounded off to the higher multiple of one if that number is 0.5 or higher. If that number is lower than 0.5, it would be rounded off to the lower multiple of one. All Bidders in such categories would be Allotted Equity Shares arrived at after such rounding off.

f. If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares allotted to the Bidders in that category, the remaining Equity Shares available for Allotment shall be first adjusted against any other category, where the allotted shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment will be added to the category comprising Bidders applying for minimum number of Equity Shares.

g. Subject to valid Bids being received, allocation of Equity Shares to Anchor Investors shall be at the sole discretion of our Company, in consultation with the BRLMs.

Illustration of Allotment to QIBs and Mutual Funds (“MF”) in the Net QIB Portion

A. Issue Details

Sr. No.	Particulars	Issue details
1.	Issue size	200 crore Equity Shares
2.	Allocation to QIB (50%)	100 crore Equity Shares
3.	Anchor Investor Portion	30 crore Equity Shares
4.	Portion available to QIBs other than Anchor Investors [(2) minus (3)]	70 crore Equity Shares
	Of which:	
	a. Allocation to MF (5%)	3.5 crore Equity Shares
	b. Balance for all QIBs including MFs	66.5 crore Equity Shares
3	No. of QIB applicants	10
4	No. of shares applied for	500 crore Equity Shares

B. Details of QIB Bids in the Net QIB Portion

Sr. No.	Type of QIB bidders#	No. of Equity Shares bid for (in crores)
1	A1	50.
2	A2	20

Sr. No.	Type of QIB bidders#	No. of Equity Shares bid for (in crores)
3	A3	130
4	A4	50
5	A5	50
6	MF1	40
7	MF2	40
8	MF3	80
9	MF4	20
10	MF5	20
	Total	500

A1-A5: (QIB bidders other than MFs), MF1-MF5 (QIB bidders which are Mutual Funds)

C. Details of Allotment to QIB Bidders/ Applicants

(Number of Equity Shares in crores)

Type of QIB bidders	Equity Shares bid for (in crores)	Allocation of 3.5 crores Equity Shares to MF proportionately (please see note 2 below)	Allocation of balance 66.5 crores Equity Shares to QIBs proportionately (please see note 4 below)	Aggregate allocation to MFs
(I)	(II)	(III)	(IV)	(V)
A1	50	0	6.65	0
A2	20	0	2.66	0
A3	130	0	17.29	0
A4	50	0	6.65	0
A5	50	0	6.65	0
MF1	40	0.7	5.32	6.02
MF2	40	0.7	5.32	6.02
MF3	80	1.4	10.64	12.04
MF4	20	0.35	2.66	3.01
MF5	20	0.35	2.66	3.01
	500	**3.5**	**66.5**	**30.1**

Please note:

1. The illustration presumes compliance with the requirements specified in the Red Herring Prospectus in the chapter titled "*Issue Structure*" beginning on page 290 of the Red Herring Prospectus.

2. Out of 70 crore Equity Shares allocated to QIBs, 3.5 crores (i.e. 5%) will be allocated on proportionate basis among five Mutual Fund applicants who applied for 200 crore Equity Shares in QIB category.

3. The balance 66.5 crore Equity Shares (i.e. 70-3.5 (available for MFs)) will be allocated on proportionate basis among 10 QIB applicants who have applied for 500 crore Equity Shares (including five MF applicants who applied for 200 crore Equity Shares).

4. The figures in the fourth column entitled "Allocation of balance 66.5 crore Equity Shares to QIBs proportionately" in the above illustration are arrived as under:

- For QIBs other than Mutual Funds (A1 to A5)= No. of shares bid for (i.e. in column II) X 66.5 / 496.5.

- For Mutual Funds (MF1 to MF5) = [(No. of shares bid for (i.e. in column II of the table above) less Equity Shares allotted (i.e., column III of the table above)] X 66.5 / 496.5.

The numerator and denominator for arriving at allocation of 66.5 crore Equity Shares to the 10 QIBs are reduced by 3.5

crore Equity Shares, which have already been allotted to Mutual Funds in the manner specified in column III of the table above.

Equity Shares in Dematerialized Form with NSDL or CDSL

As per the provisions of Section 68B of the Companies Act, the Equity Shares in the Issue shall be allotted only in a dematerialized form, (i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, two agreements have been signed among us, the respective Depositories and the Registrar to the Issue:

a. a tripartite agreement dated July 28, 2010 with NSDL, our Company and Registrar to the Issue;

b. a tripartite agreement dated March 12, 2010 with CDSL, our Company and Registrar to the Issue.

All bidders can seek Allotment only in dematerialized mode. Bids from any Bidder without relevant details of his or her depository account are liable to be rejected.

a. A Bidder applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Bid.

b. The Bidder must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's Identification number) appearing in the Bid cum Application Form or Revision Form.

c. Equity Shares allotted to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder.

d. Names in the Bid cum Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.

e. If incomplete or incorrect details are given under the heading 'Bidders Depository Account Details' in the Bid cum Application Form or Revision Form, it is liable to be rejected.

f. The Bidder is responsible for the correctness of his or her demographic details given in the Bid cum Application Form vis-à-vis those with their Depository Participant.

g. It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. All the Stock Exchanges where our Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.

h. The trading of the Equity Shares of our Company would be only be in dematerialized form only for all investors.

Communications

All future communications in connection with Bids made in the Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid form, name and address of the member of the Syndicate or the Designated Branch of the SCSBs where the Bid was submitted and cheque or draft number and issuing bank thereof or with respect to ASBA Bids, bank account number in which the amount equivalent to the Bid Amount was blocked.

Bidders can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary accounts, refund orders etc. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders can contact the Designated Branches of the SCSBs.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, which is reproduced below:

"Any person who:

(a) makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein; or

(b) otherwise induces a company to allot, or register any transfer of shares therein to him, or any other person in a fictitious name,

shall be punishable with imprisonment for a term which may extend to five years".

PAYMENT OF REFUND

Bidders other than ASBA Bidders must note that on the basis of the names of the Bidders, Depository Participant's name, DP ID, Beneficiary Account number provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain, from the Depositories, the Bidders' bank account details, including the nine digit Magnetic Ink Character Recognition ("**MICR**") code as appearing on a cheque leaf. Hence Bidders are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch of refund order or refunds through electronic transfer of funds, as applicable, and any such delay shall be at the Bidders' sole risk and neither our Company, the Registrar to the Issue, Escrow Collection Bank(s), Bankers to the Issue nor the BRLMs shall be liable to compensate the Bidders for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.

Mode of making refunds

The payment of refund, if any, for Bidders other than ASBA Bidders would be done through various modes in the following order of preference:

1. Direct Credit – Applicants having bank accounts with the Refund Bank (s), as mentioned in the Bid cum Application Form, shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company.
2. ECS / NECS – Payment of refund would be done through ECS / NECS for applicants having an account at any of the centres where such facility has been made available. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories. The payment of refunds is mandatory for applicants having a bank account at any of the centres where such facility is made available, except where the applicant, being eligible, opts to receive refund through direct credit or RTGS.

3. RTGS – Applicants having a bank account at any of the centres where such facility is available and whose refund amount exceeds ₹ 2 lacs, has the option to receive refund through RTGS. Such eligible applicants who indicate their preference to receive refund through RTGS are required to provide the IFSC code in the Bid cum Application Form. In the event the same is not provided, refund shall be made through ECS / NECS. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company. Charges, if any, levied by the applicant's bank receiving the credit would be borne by the applicant.

4. NEFT – Payment of refund shall be undertaken through NEFT wherever the applicants' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the applicants through this method. The process flow in respect of refunds by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency. In the event that NEFT is not

operationally feasible, the payment of refunds would be made through any one of the other modes as discussed in the sections.

For all other applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be dispatched under Speed Post/ Registered Post or through such other mode as may be permitted. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Escrow Collection Bank(s) and payable at par at places where Bids are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

Mode of making refunds for ASBA Bidders

In case of ASBA Bidders, the Registrar to the Issue shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account to the extent of the Bid Amount specified in the ASBA Bid cum Application Forms for withdrawn, rejected or unsuccessful or partially successful ASBA Bids within nine days of the Bid/Issue Closing Date.

Disposal of Applications and Application Moneys

With respect to Bidders other than ASBA Bidders, our Company shall ensure dispatch of Allotment advice, refund orders (except for Bidders who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchanges within ten days of the Bid/Issue Closing Date.

In case of applicants who receive refunds through NECS, direct credit or RTGS, the refund instructions will be given to the clearing system within ten days from the Bid/ Issue Closing Date. A suitable communication shall be sent to the Bidders receiving refunds through this mode within ten days of Bid/ Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

Our Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed, are taken within twelve Working Days of the Bid/Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI Regulations, our Company further undertakes that:

- Allotment of Equity Shares shall be made only in dematerialised form, including the credit of Allotted Equity Shares to the beneficiary accounts of the Depository Participants, within ten Working Days of the Bid / Issue Closing Date;

- With respect to Bidders other than ASBA Bidders, dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within ten days of the Bid/Issue Closing Date would be ensured. With respect to the ASBA Bidders, instructions for unblocking of the ASBA Bidder's Bank Account shall be made within eight days from the Bid/Issue Closing Date.

Our Company shall pay interest at 15% p.a. for any delay beyond the ten working days from the Bid/Issue Closing Date as mentioned above, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to investors within eight days from the day our Company becomes liable to repay (i.e. ten Working Days after the Bid / Issue Closing Date or the date of refusal by the Stock Exchange(s), whichever is earlier). If such money is not repaid within eight days from the day our Company becomes liable to repay it, our Company and every officer in default shall, on and from expiry of eight days, be liable to repay the money with interest at the rate of 15% as prescribed under Section 73 of the Companies Act.

Letters of Allotment or Refund Orders or instructions to the SCSBs

We shall give credit to the beneficiary account with Depository Participants within ten Working Days from the Bid/Issue Closing Date. Applicants residing at the centres where clearing houses are managed by the RBI, will get refunds through ECS / NECS only except where applicant is otherwise disclosed as eligible to get refunds through direct credit and / or RTGS. Our Company shall ensure dispatch of refund orders, if any, o by registered post or speed post or through such other mode as may be permitted at the sole or First Bidder's sole risk within ten days of the Bid/Issue Closing Date. Bidders to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post, intimating them about the mode of credit of refund within ten days of the Bid/ Issue Closing Date. In case of ASBA Bidders, the Registrar to the Issue shall instruct the relevant SCSBs to unblock the funds in the relevant ASBA Account to the extent of the Bid Amount specified in the ASBA Bid cum Application Forms for withdrawn, rejected or unsuccessful or partially successful ASBA Bids within eight Working days of the Bid/Issue Closing Date, which shall be completed within one Working Day after the receipt of such instruction from the Registrar to the Issue.

Interest in case of delay in dispatch of Allotment Letters or Refund Orders/ instruction to SCSBs by the Registrar to the Issue

Our Company agrees that the Allotment of Equity Shares in the Issue shall be made not later than ten Working Days of the Bid / Issue Closing Date. Our Company further agrees that it shall pay interest at the rate of 15% p.a. if the Allotment letters or refund orders have not been dispatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given in the disclosed manner within ten Working days from the Bid / Issue Closing Date or instructions to SCSBs to unblock funds in the ASBA Accounts shall be given within eight Working Days of the Bid/Issue Closing Date, as the case may be.

Our Company will provide adequate funds required for dispatch of refund orders or Allotment advice to the Registrar to the Issue.

Refunds will be made by cheques, pay-orders or demand drafts drawn on a bank appointed by our Company as a Refund Bank and payable at par at places where Bids are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

Undertaking by our Company

We undertake as follows:

1. that the complaints received in respect of the Issue shall be attended to expeditiously and satisfactorily;

2. that all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed within twelve Working days of the Bid/Issue Closing 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 to the Issue by us;

4. That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within ten Working days of the Bid/ 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. Instructions to SCSBs to unblock funds in the ASBA Accounts shall be given within nine working days of the Bid/Issue Closing Date.

6. That the instruction for electronic credit of Equity Shares / refund orders / intimation about the refund to non-resident Indians shall be completed within the specified time;

7. That no further Issue of Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription etc.; and

8. That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the Basis of Allotment.

9. the certificates of the securities/ refund orders to the Eligible NRIs shall be despatched within specified time; and

Withdrawal of the Issue

Our Company, in consultation with the BRLMs reserves the right not to proceed with the Issue at any time, after the Bid/Issue Opening Date, but before Allotment of Equity Shares. 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 / deciding not to proceed with the Issue, providing reasons for not proceeding with the Issue. Our Company shall also promptly inform the same to the stock exchanges on which our Equity Shares are proposed to be listed. Any further issue of Equity Shares by our Company shall be in compliance with applicable laws. If the Issue is withdrawn after the Bid / Issue Closing date, our Company shall be required to file a fresh offer document with SEBI. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one day from the day of receipt of such notification.

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

Utilization of the Issue proceeds

The Board of Directors of our Company certifies that:

(a) 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 73 of the Companies Act;

(b) details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue proceeds remains unutilized under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

(c) 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.

Our Company shall not have recourse to the Issue Proceeds until the approval for listing and Trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

SECTION IX: DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION OF OUR COMPANY

Title of Article	Article Number and Contents
Table "A" not to apply but company to be governed by these Articles	1. The regulations contained in Table "A" in the First Schedule of the Companies Act, 1956 shall not apply to this Company, but these Articles for the management of the Company and for the observance of the Members thereof and their representatives shall subject to any exercise of the statutory powers of the Company with reference to the repeal of, alteration of, or addition to, its regulations/Articles by Special Resolution, as prescribed by the Companies Act 1956 be such as are contained in these Articles.

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

Title of Article	Article Number and Contents
Share Capital	3. The authorised share capital of the Company shall be as per paragraph 5 of the Memorandum of Association of the Company with power to increase or reduce the share capital and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, or such other rights, privileges or conditions as may be determined in accordance with the regulations of the Company and to vary, modify, abrogate any such rights, privileges of conditions in such manner as may be provided by the regulations of the Company and consolidate, sub-divide the shares and issue shares of higher or lower denomination. Further, the Company may from time to time by Ordinary Resolution increase its authorised share capital by such sum and to be divided into Shares of such amount as may be specified in the resolution.
Increase of capital by the Company how carried into effect	4. The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 87 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 97of the Act.
New Capital same as existing capital	5. Except so far as otherwise provided by the conditions of issue or by These Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
Reduction of capital	10. The Company may (subject to the provisions of Section 100 to 105, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce (a) the share capital; (b) any capital redemption reserve account; or (c) any security premium account. in any manner for the time being, authorised by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.

MODIFICATION OF RIGHTS

Title of Article	Article Number and Contents
Modification of rights	13. Whenever the capital, by reason of the issue of preference shares or otherwise, is divided into different classes of Shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, be varied with the consent in writing of the holders of not less than three-fourth of the issued capital of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of Shares of that class, and all the provisions hereafter contained as to General Meeting shall mutatis mutandis apply to every such Meeting. This Article is not to derogate from any power the Company would have if this Article was omitted. The rights conferred upon the holders of the Shares (including preference shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of Shares of that class, be deemed not to be varied by the creation or issue of further Shares ranking *pari passu* therewith.

SHARES, CERTIFICATES AND DEMATERIALISATION

Title of Article	Article Number and Contents
Restriction on allotment and return of allotment	14. The Board of Directors shall observe the restrictions on allotment of Shares to the public contained in Sections 69 and 70 of the Act, and shall cause to be made the returns as to allotment provided for in Section 75 of the Act.
Further issue of shares	15. (1) Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of Shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further Shares then: (a) Such further Shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid-up on those Shares at that date; (b) The offer aforesaid shall be made by a notice specifying the number of Shares offered and limiting a time not being less than fifteen days from the date of the offer and the offer, if not accepted, will be deemed to have been declined; (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (b) shall contain a statement of this right; (d) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the Company. (2) Notwithstanding anything contained in sub-clause (1), the further Shares aforesaid may be offered to any person(s) (whether or not those persons include the persons referred to in clause (a) sub-clause (1) hereof) in any manner whatsoever. (a) If a Special Resolution to that effect is passed by the Company in General Meeting; or (b) Where no such Special Resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that General Meeting (including the casting vote, if any, of the Chairman) by Members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by Members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company. (3) Nothing in sub-clause (c) of (l) hereof shall be deemed;

Title of Article	Article Number and Contents
	(a) To extend the time within which the offer should be accepted; or (b) To authorise any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the Shares comprised in the renunciation. (4) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debentures issued by the Company: (i) To convert such debentures or loans into Shares in the Company; or (ii) To subscribe for Shares in the Company PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term: (a) Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with the Rules, if any, made by that government in this behalf; and (b) In the case of debentures or loans or other than debentures issued to, or loans obtained from government or any institution specified by the Central Government in this behalf, has also been approved by a Special Resolution passed by the Company in the General Meeting before the issue of the loans.
Shares at the disposal of the Directors	16. (1) Subject to the provisions of Section 81 of the Act and these Articles, the Shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting. (2) Subject to the provisions of Section 81(1A) of the Act, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, provision of these articles and such other rules, procedures, Regulations and Guidelines as may be applicable any preferential issue of equity shares/warrants/fully convertible debentures/partially convertible debentures or any other financial instruments by the company which would be converted into or exchanged with equity shares at a later date shall be under the control of the Board which may allot or otherwise dispose of the same to such persons on such terms and conditions and at such times either at par or at a premium and for such consideration as the Board thinks fit.
Application of premium received on Shares	17. (1) where the Company issues Shares at a premium whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on these Shares shall be transferred to an account, to be called "the security premium account" and the provisions of the Act relating to the reduction of the share capital of the Company shall except as provided in this Article, apply as if the security premium account were paid up share capital of the Company. (2) The security premium account may, notwithstanding anything in clause (I) thereof be applied by the Company: (a) In paying up unissued Shares of the Company, to be issued to the Members of the Company as fully paid bonus;

Title of Article	Article Number and Contents
	(b) In writing off the preliminary expenses of the Company; (c) In writing off the expenses of or the commission paid or discount allowed or any issue of Shares or debentures of the Company ; or (d) In providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.
Power also to Company in General Meeting to issue Shares	18. In addition to and without derogating from the powers for that purpose conferred on the Board under these Articles, the Company in General Meeting may, subject to the provisions of Section 81 of the Act, determine that any Shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option or right to call for or buy allotted Shares of any class of the Company either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment, or disposal of any Shares.
Shares at a discount	19. The Company may issue at a discount Shares in the Company of a class already issued, if the following conditions are fulfilled, namely: (a) The issue of the Shares at discount is authorised by resolution passed by the Company in the General Meeting and sanctioned by the Company Law Board; (b) The resolution specifies the maximum rate of discount (not exceeding ten percent or such higher percentage as the Company Law Board may permit in any special case) at which the Shares are to be issued; and (c) The Shares to be issued at a discount are issued within two months after the date in which the issue is sanctioned by the Company Law Board or within such extended time as the Company Law Board may allow.
Dematerialisation of securities	25.(B) Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialised form, the Company shall enter into an agreement with the depository to enable the investor to dematerialise the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.
Options to receive security certificates or hold securities with depository	25.(C) Every person subscribing to securities offered by the Company shall have the option to receive the Security certificates or hold securities with a depository. Where a person opts to hold a Security with a depository, the Company shall intimate such depository the details of allotment of the Security, and on receipt of such information the depository shall enter in its record the name of the allotted as the Beneficial Owner of that Security.
Securities in depositories to be in fungible form	25.(D) All Securities held by a Depository shall be dematerialised and shall be in a fungible form; nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.
Depository To Furnish Information	25.(F) Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.
Share certificate	26. (a) Every Member or allotee of Shares is entitled, without payment, to receive one certificate

Title of Article	Article Number and Contents
	for all the Shares of the same class registered in his name. (b) Any two or more joint allottees or holders of Shares shall, for the purpose of this Article, be treated as a single Member and the certificate of any Share which may be the subject of joint ownership may be delivered to any one of such joint owners, on behalf of all of them. (c) The Board may, from time to time, subject to the provisions of the Act and these Articles sub-divide/consolidate Share Certificates.
Renewal of share certificates	27. No certificate of any Share or Shares shall be issued either in exchange for those, which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where the pages on the reverse for recording transfer have been duly utilised unless the certificate in lieu of which it is issued is surrendered to the Company. PROVIDED THAT no fee shall be charged for issue of new certificate in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfer have been fully utilized.
The first name joint holder deemed sole holder	29. If any Share(s) stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and all or any other matters connected with Company except voting at Meetings and the transfer of the Shares be deemed the sole holder thereof but the joint holders of a Share shall severally as well as jointly be liable for the payment of all incidents thereof according to the Company's Articles.
Postal Ballot	34. The Company may pass such resolution by postal ballot in the manner prescribed by Section 192A of the Act and such other applicable provisions of the Act and any future amendments or re-enactment thereof. Notwithstanding anything contained in the provisions of the Act, the Company shall in the case of a resolution relating to such business, as the Central Government may, by notification, declare to be conducted only by postal ballot, get such resolution passed by means of postal ballot instead of transacting such business in a general meeting of the Company.

UNDERWRITING AND BROKERAGE

Title of Article	Article Number and Contents
Commission may be paid	39. Subject to the provisions of Section 76 of the Act, the Company may at anytime pay commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares in or debentures of the Company but so that the commission shall not exceed in the case of the Shares five percent of the price at which the Shares are issued and in the case of debentures two and half percent of the price at which the debenture are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid Shares or debentures as the case may be or partly in one way and partly in the other.
Brokerage	40. The Company may on any issue of Shares or Debentures or on deposits pay such brokerage as may be reasonable and lawful.
Commission to be included in the annual return	41. Where the Company has paid any sum by way of commission in respect of any Shares or Debentures or allowed any sums by way of discount in respect to any Shares or Debentures, such statement thereof shall be made in the annual return as required by Part I of Schedule V to the Act.

INTEREST OUT OF CAPITAL

Title of Article	Article Number and Contents
Interest out of capital	42. Where any Shares are issued for the purpose of raising money to defray the expenses of the construction of any work or building, or the provisions of any plant which cannot be made profitable for lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid-up, for the period at the rate and subject to the conditions and restrictions provided by Section 208 of the Act and may charge the same to capital as part of the cost of construction of the work or building or the provisions of the plant.

CALLS

Title of Article	Article Number and Contents
Directors may make calls	44. (a) Subject to the provisions of Section 91 of the Act, the Board of Directors may from time to time by a resolution passed at a meeting of a Board (and not by a circular resolution)make such calls as it thinks fit upon the Members in respect of all moneys unpaid on the Shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed time and each Member shall pay the amount of every call so made on him to person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine. No call shall be made payable within less than one month from the date fixed for the payment of the last preceding call. (b) The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.

LIEN

Title of Article	Article Number and Contents
Partial payment not to preclude forfeiture	52. Neither the receipt by the Company of a portion of any money which shall, from time to time be due from any Member to the Company in respect of his Shares, either by way of principal or interest, or any indulgence granted by the Company in respect of the payment of such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.
Company's lien on Shares/ Debentures	53. The Company shall have first and paramount lien upon all Shares/ Debentures (other than fully paid up Shares/ Debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/ Debentures and no equitable interest in any Share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/ Debentures; Unless otherwise agreed the registration of a transfer of Shares/ Debentures shall operate as a waiver of the Company's lien if any, on such Shares/Debentures. The Directors may at any time declare any Shares/ Debentures wholly or in part exempt from the provisions of this Article. Further, the fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares;

FORFEITURE OF SHARES

Title of Article	Article Number and Contents

If money payable on Shares not paid notice to be given	56. If any Member fails to pay the whole or any part of any call or any installments of a call on or before the day appointed for the payment of the same or any such extension thereof, the Board of Directors may, at any time thereafter, during such time as the call for installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

TRANSFER AND TRANSMISSION OF SHARES

Title of Article	Article Number and Contents
No transfers to minors etc.	71. No Share which is partly paid-up or on which any sum of money is due shall in any circumstances be transferred to any minor, insolvent or person of unsound mind.
Application for transfer	73. (a) An application for registration of a transfer of the Shares in the Company may be either by the transferor or the transferee. (b) Where the application is made by the transferor and relates to partly paid Shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice (c) For the purposes of clause (b) above notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address, given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.
Execution of transfer	74. The instrument of transfer of any Share shall be duly stamped and executed by or on behalf of both the transferor and the transferee and shall be witnessed. The transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The requirements of provisions of Section 108 of the Companies Act, 1956 and any statutory modification thereof for the time being shall be duly complied with.
Directors may refuse to register transfer	77. Subject to the provisions of Section 111A, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on partly paid up Shares.
Death of one or more joint holders of Shares	78. In case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognised by the Company as having any title or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him with any other person.
Person entitled may receive dividend	83. A person entitled to a Share by transmission shall subject to the right of the Directors to

Title of Article	Article Number and Contents
without being registered as a Member	retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the Share.
No fee on transfer or transmissions	84. No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and Letters of Administration, Certificate of Death or Marriage, Power of Attorney or other similar document.
Transfer to be presented with evidence of title	85. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the Shares and generally under and subject to such conditions and regulations as the Board may, from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.

SHARE WARRANTS

Title of Article	Article Number and Contents
Power to issue share warrants	87. The Company may issue warrants subject to and in accordance with provisions of Sections 114 and 115 of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

Title of Article	Article Number and Contents
Share may be converted into stock	91. The Company may, by Ordinary Resolution: Convert any fully paid up Share into stock, and reconvert any stock into fully paid-up Shares.

BORROWING POWERS

Title of Article	Article Number and Contents
Power to borrow	95. Subject to the provisions of Sections 58A, 292 and 293(1)(d) of the Act and these Articles, the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any such sum or sums of money for the purposes of the Company from any source. PROVIDED THAT, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board of Directors shall not borrow such money without the sanction of the Company in General Meeting. No debts incurred by the Company in excess of the limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.
The payment or repayment of	96. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner

Title of Article	Article Number and Contents
moneys borrowed	and upon : such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of bonds, debentures or debentures stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its un-called capital for the time being and the debentures and the debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
Mortgage of uncalled capital	99. If any uncalled capital of the Company is included in or charged by mortgage or other security, the Directors may, subject to the provisions of the Act and these Articles, make calls on the Members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security has been executed.

MEETING OF MEMBERS

Title of Article	Article Number and Contents
Notice of business to be given	111. No General Meeting, Annual or Extra-Ordinary shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the Meeting.
Quorum	112. Five Members entitled to vote and present in person shall be quorum for General Meeting and no business shall be transacted at the General Meeting unless the quorum requisite is present at the commencement of the Meeting. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act. The President of India or the Governor of a State being a Member of the Company shall be deemed to be personally present if it is presented in accordance with Section 187 of the Act.
If quorum not present when Meeting to be dissolved and when to be adjourned	113. If within half an hour from the time appointed for holding a Meeting of the Company, a quorum is not present, the Meeting, if called by or upon the requisition of the Members shall stand dissolved and in any other case the Meeting shall stand, adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday, at the same time and place or to such other day and at such other time and place as the Board may determine. If at the adjournment meeting also, a quorum is not present within half an hour from the time appointed for holding the Meeting, the Members present shall be a quorum and may transact the business for which the Meeting was called.
Resolution passed at adjourned Meeting	114. Where a resolution is passed at an adjourned Meeting of the Company, the resolution for all purposes is treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.
Chairman of General Meeting.	115. At every General Meeting the Chair shall be taken by the Chairman of the Board of Directors. If at any Meeting, the Chairman of the Board of Directors is not present within ten minutes after the time appointed for holding the Meeting or though present, is unwilling to act as Chairman, the Vice Chairman of the Board of Directors would act as Chairman of the Meeting and if Vice Chairman of the Board of Directors is not present or, though present, is unwilling to act as Chairman, the Directors present may choose one of themselves to be a Chairman, and in default or their doing so or if no Directors shall be present and willing to take the Chair, then the Members present shall choose one of themselves, being a Member entitled to vote, to be Chairman.
How questions are decided at Meetings	118. Every question submitted to a General Meeting shall be decided in the first instance by a

Title of Article	Article Number and Contents
	show of hands unless the poll is demanded as provided in these Articles.
Special notice	125. Where by any provision contained in the Act or in these Articles, special notice is required for any resolution notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the Meeting at which it is to be moved, exclusive of the day which the notice is served or deemed to be served on the day of the Meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its Members notice of the resolution in the same manner as it gives notice of the Meeting, or if that is not practicable shall give them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the Meeting.

VOTES OF MEMBERS

Title of Articles	Article Number and Contents
Restriction on exercise of voting rights of Members who have not paid calls	127. No Member shall exercise any voting rights in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
Number of votes to which Member entitled	128. Subject to the provisions of Article 126, every Member of the Company holding any equity share capital and otherwise entitled to vote shall, on a show of hands when present in person (or being a body corporate present by a representative duly authorised) have one vote and on a poll, when present in person (including a body corporate by a duly authorised representative), or by an agent duly authorised under a Power of Attorney or by proxy, his voting right shall be in proportion to his share of the paid-up equity share capital of the Company. Provided however, if any preference shareholder is present at any meeting of the Company, (save as provided in clause (b) of sub-section (2) of Section 87) he shall have a right to vote only on resolutions before the Meeting which directly affect the rights attached to his preference shares. A Member is not prohibited from exercising his voting rights on the ground that he has not held his Shares or interest in the Company for any specified period proceeding the date on which the vote is taken.
Votes of Members of unsound mind	129. A Member of unsound mind, or in respect of whom order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by proxy.
Votes of joint Members	130. If there be joint registered holders of any Shares, one of such persons may vote at any Meeting personally or by an agent duly authorised under a Power of Attorney or by proxy in respect of such Shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the Meeting, and if more than one of such joint holders be present at any Meeting either personally or by agent or by proxy, that one of the said persons so present whose name appears higher on the Register of Members shall alone be entitled to speak and to vote in respect of such Shares, but the other holder(s) shall be entitled to vote in preference to a person present by an agent duly authorised under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register of Members in respect of such Shares. Several executors or administrators of a deceased Member in whose name Shares stand shall for the purpose of these Articles be deemed joint holders thereof.
Representation of	131.

Title of Articles	Article Number and Contents
body corporate	(a) A body corporate (whether a company within the meaning of the Act or not) may, if it is a Member or creditor of the Company (including a holder of Debentures) authorise such person as it thinks fit by a resolution of its Board of Directors or other governing body, to act as its representative at any Meeting of the Company or any class of shareholders of the Company or at any meeting of the creditors of the Company or Debenture-holders of the Company. A person authorised by resolutions aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member, shareholder, creditor or holder of Debentures of the Company. The production of a copy of the resolution referred to above certified by a Director or the Secretary of such body corporate before the commencement of the Meeting shall be accepted by the Company as sufficient evidence of the validity of the said representatives' appointment and his right to vote thereat. Where the President of India or the Governor of a State is a Member of the Company, the President or as the case may be the Governor may appoint such person as he thinks fit to act as his representative at any Meeting of the Company or at any meeting of any class of shareholders of the Company and such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a Member of the Company.
Voting in person or by proxy	133. Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorised in accordance with Section 187 of the Act.

DIRECTORS

Title of Article	Article Number and Contents
Number of Directors	144. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors shall not be less than three and not more than twelve.
First Directors	144A. The First Directors of the Company:- Mr.Kannan Vishwanath. Mrs. Lakshmi Vishwanathan.
Appointment of Directors	145. The appointment of Directors of the Company shall be in accordance with the provisions of the Act and these Articles, to the extent applicable.
Directors may fill in vacancies	151. The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date to which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid. However, he shall then be eligible for re-election.
Additional Directors	152. The Directors shall have the power at any time and from time to time to appoint any other person to be a Director as an addition to the Board ("Additional Director") so that the total number of Directors shall not at any time exceed the maximum fixed by these Articles. Any person so appointed as an Additional Director to the Board shall hold his office only upto the date of the next Annual General Meeting and shall be eligible for election at such Meeting.

Qualification shares	153. A Director need not hold any qualification shares.
Directors' sitting fees	154. The fees payable to a Director for attending each Board meeting shall be such sum as may be fixed by the Board of Directors not exceeding such sum as may be prescribed by the Central Government for each of the meetings of the Board or a Committee thereof and adjournments thereto attended by him. The Directors, subject to the sanction of the Central Government (if any required) may be paid such higher fees as the Company in General Meeting shall from time to time determine.
Extra remuneration to Directors for special work	155. Subject to the provisions of Sections 198, 309, 310, 311 and 314 of the Act, if any Director, being willing shall be called upon to perform extra services (which expression shall include work done by a Director as a Member of any Committee formed by the Directors or in relation to signing share certificate) or to make special exertions in going or residing or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Director, and such remuneration may be either in addition to or in substitution for his share in the remuneration herein provided. Subject to the provisions of the Act, a Director who is neither in the whole time employment nor a Managing Director may be paid remuneration either: i) by way of monthly, quarterly or annual payment with the approval of the Central Government; or ii) by way of commission if the Company by a Special Resolution authorised such payment.
Travelling expenses incurred by Directors on Company's business	156. The Board of Directors may subject to the limitations provided by the Act allow and pay to any Director who attends a meeting of the Board of Directors or any Committee thereof or General Meeting of the Company or in connection with the business of the Company at a place other than his usual place of residence, for the purpose of attending a Meeting such sum as the Board may consider fair compensation for travelling, hotel, and other incidental expenses properly incurred by him in addition to his fees for attending such Meeting as above specified.
Director may act notwithstanding vacancy	157. The continuing Director or Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board, the Director or Directors may act for the purpose of increasing the number, of Directors or that fixed for the quorum or for summoning a General Meeting of the Company but for no other purposes.
Board resolution necessary for certain contracts	158. (1) Subject to the provisions of Section 297 of the Act, except with the consent of the Board of Directors of the Company, a Director of the Company or his relative, a firm in which such a Director or relative is partner, any other partner in such a firm or a private company of which the Director is a member or director, shall not enter into any contract with the Company. (a) For the sale, purchase or supply of goods, materials or services; or b) for underwriting the subscription of any Share in or debentures of the Company; (c) nothing contained in clause (a) of sub-clause (1) shall affect:- (i) the purchase of goods and materials from the Company, or the sale of goods and materials to the Company by any Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or (ii) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other for sale, purchase or supply of any

	goods, materials and services in which either the Company, or the Director, relative, firm, partner or private company, as the case may be regularly trades or does business, PROVIDED THAT such contract or contracts do not relate to goods and materials the value of which, or services the cost of which, exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts; (2) Notwithstanding any contained in sub-clause(1) hereof, a Director, relative, firm partner or private company as aforesaid may, in circumstances of urgent necessity, enter without obtaining the consent of the Board, into any contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or cost of such services exceeds rupees five thousand in the aggregate in any year comprised in the period of the contract; but in such a case the consent of the Board shall be obtained at a Meeting within three months of the date on which the contract was entered into. (3)Every consent of the Board required under this Article shall be accorded by a resolution passed at a meeting of the Board required under clause (1) and the same shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the data on which was entered into. (4) If consent is not accorded to any contract under this Article, anything done in pursuance of the contract will be voidable at the option of the Board. (5) The Directors, so contracting or being so interested shall not be liable to the Company for any profit realised by any such contract or the fiduciary relation thereby established.
Disclosure to the Members of Directors' interest in contract appointing Managers, Managing Director or Wholetime Director	159. When the Company:- (a) enters into a contract for the appointment of a Managing Director or Wholetime Director in which contract any Director of the Company is whether directly or indirectly, concerned or interested; or (b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 302 of the Act shall be complied with.
Directors of interest General notice of disclosure	160. (a) A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 299 (2) of the Act. (b) A general notice, given to the Board by the Director to the effect that he is a director or is a member of a specified body corporate or is a member of a specified firm under Sections 299(3)(a) shall expire at the end of the financial year in which it shall be given but may be renewed for a further period of one financial year at a time by fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that is brought up and read at the first meeting of the Board after it is given.
Directors and Managing Director may contract with Company	161. Subject to the provisions of the Act the Directors (including a Managing Director and Whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or otherwise, nor shall any such contract or any contracts or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting be liable to account to the Company for any profit realized by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed as provided by Section 299 of the Act and in this respect all the provisions of Section 300 and 301 of the Act shall be duly observed and complied with.

Disqualification of the Director	162.A person shall not be capable of being appointed Director of the Company if:- (a)he has been found to be of unsound mind by a Court of competent jurisdiction and the finding is in force; (b) he is an undischarged insolvent; (c) he has applied to be adjudged an insolvent and his application is pending; (d) he has been convicted by a Court of any offence involving moral turpitude sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed form the date of expiry of the sentence; (e) he has not paid any call in respect of Shares of the Company held by him whether alone or jointly with others and six months have lapsed from the last day fixed for the payment of the call; or (f) an order disqualifying him for appointment as Director has been passed by a Court in pursuance of Section 203 of the Act and is in force; unless the leave of the Court has been obtained for his appointment in pursuance of that Section.
Vacation of office by Directors (contd.)	164.Notwithstanding anything contained in sub-clauses (c), (d) and (i) of Article 162hereof, the disqualification referred to in these clauses shall not take effect: (a) for thirty days from the date of the adjudication, sentence or order; (b) where any appeal or petition is preferred within thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed of; or (c) where within the seven days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of.
Interested Directors not to participate or vote in Board's proceedings	166. No Director shall as a Director take part in the discussion of or vote on any contract arrangement or proceedings entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, not shall his presence count for the purpose of forming a quorum at the time of any such discussion or voting, and if he does vote, his vote shall be void. Provided however, that nothing herein contained shall apply to:- (a) any contract of indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company; (b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely; (i) in his being: (a) a director of such company; and (b)the holder of not more than shares of such number of value therein as is requisite to qualify him for appointment as a director, thereof, he having been nominated as director by the company, or (ii) in his being a member holding not more than two percent of its paid-up share capital.
Director may be director of companies promoted by the Company	167. A Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or shareholder of such company except in so far Section 309(6) or Section 314 of the Act may be applicable.

ROTATION AND APPOINTMENT OF DIRECTORS

Title of Article	Article Number and Contents
Rotation of Directors	169. Not less than two third of the total number of Directors shall (a) be persons whose period of the office is liable to termination by retirement by rotation and (b) save as otherwise expressly provided in the Articles be appointed by the Company in General Meeting.

Retirement of Directors	170. Subject to the provisions of Articles 148 and 150, the non-retiring Directors should be appointed by the Board for such period or periods as it may in its discretion deem appropriate.
Retiring Directors	171. Subject to the provisions of Section 256 of the Act and Articles 146 to 153, at every Annual General Meeting of the Company, one-third or such of the Directors for the time being as are liable to retire by rotation; or if their number is not three or a multiple of three the number nearest to one-third shall retire from office. The Debenture Directors, Nominee Directors, Corporation Directors, Managing Directors if any, subject to Article 184, shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a "Retiring Director" means a Director retiring by rotation.
Appointment of Technical or Executive Directors	172. a) The Board of Directors shall have the right from time to time to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons from time to time without assigning any reason whatsoever. A Technical Director or Executive Director shall not be required to hold any qualification shares and shall not be entitled to vote at any meeting of the Board of Directors. b) Subject to the provisions of Section 262 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.
Ascertainment of Directors retiring by rotation and filling of vacancies	173. Subject to Section 288 (5) of the Act, the Directors retiring by rotation under Article 174 at every Annual General Meeting shall be those, who have been longest in office since their last appointment, but as between those who became Directors on the same day, those who are to retire shall in default of and subject to any agreement amongst themselves be determined by the lot.

MANAGING DIRECTOR

Title of Article	Article Number and Contents
Powers to appoint Managing Director	182. ɔject to the provisions of the Act, the Board may from time to time appoint one or more of ir body to the office of Managing Directors for such period and or such terms it may think fit l subject to the terms of any agreement entered into with him may revoke such appointment, naking such appointment(s) the Board shall ensure compliance with the requirements of law l seek and obtain such approvals as are prescribed by the Act. Subject to the provisions of the Act and these Articles, the Managing Directors or Managing Director shall not while he or they continue to hold that office be subject to retirement by rotation but he or they shall subject to the provisions of any contract between him and them and the Company, be subject to same provisions as to resignation and removal as the other Directors of the Company and he or they shall ipso-facto and immediately cease to be Managing Director or Managing Directors if he or they cease to hold the office of the Director for any cause.
Remuneration of Managing Director	183. The Managing Director or Managing Directors may be paid remuneration either by way of monthly payment or a specified percentage of the net profit of the Company or partly by one way and partly by other or any other mode not expressly prohibited by the Act.
Powers of Managing Director	185. The Director may from time to time entrust to and confer upon a Managing Director or

Title of Article	Article Number and Contents
	Wholetime Director for the time being such of the powers exercisable under these provisions by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient, and they may confer such powers, either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Directors in that behalf and from time to time, revoke, withdraw, alter, or vary all or any of such powers. 186. The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles. 187. Receipts signed by the Managing Director for any moneys, goods or property received in the usual course of business of the Company or for any money, goods, or property lent to or belonging to the Company shall be an official discharge on behalf of and against the Company for the money, funds or property which in such receipts shall be acknowledged to be received and the persons paying such moneys shall not be bound to see to the application or be answerable for any misapplication thereof. The Managing Director shall also have the power to sign and accept and endorse cheques on behalf of the Company. 188. The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit. 189. Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.

WHOLE TIME DIRECTOR

Title of Article	Article Number and Contents
Power to appoint Whole Time Director and/or Whole-time Directors	190. (1) Subject to the provisions of the Act in force from time to time, the Board may appoint one or more of their body to the office of the Whole Time Director of Whole Time Directors for a term not exceeding years at a time as may be thought fit and may from time to time (subject to provisions of any contract between him/them and the Company) remove or dismiss him or them from office and appoint any or others in or their place or places. (2) Subject to the provisions of the Act and these Articles, the Whole-time Directors or Whole-time Directors shall not while he or they continue to hold that office be subject to retirement by rotation but he or they shall subject to the provisions of any contract between him and them and the Company, be subject to same provisions as to resignation and removal as the other Directors of the Company and he or they shall ipso-facto and immediately cease to be Whole-time Director or Whole-time Directors if he or they cease to hold the office of the Director for any cause.

Title of Article	Article Number and Contents
To what provisions Whole time Directors shall subject	191. Whole Time Director or Whole Time Directors shall carry out such functions as may be assigned to him/them by the Managing Director from time to time or the Board of directors as it may deem fit. Whole Time Director or Whole Time Directors shall not be paid sitting fees for attending meeting of the Board of Directors or any committee(s) thereof.
Resignation of office of Managing Director and Whole Time Director	Acceptance by the Company of the resignation laid by the Managing or Whole Time Director is necessary for the resignation to be effective .
Applicability of certain sections.	Subject to the provisions of Sections 198, 269, 309, 310 and 311 of the Act, the appointment and payment of remuneration to the Managing Director, Whole Time Director or Manager shall be subject to approval of the members in general meeting subject to the conditions of Schedule XIII of the Act and/or with the approval of the Central Government.

PROCEEDINGS OF THE BOARD OF DIRECTORS

Title of Article	Article Number and Contents
Meeting of Directors	193. The Directors may meet together as a Board for the dispatch of business from time to time, and unless the Central Government by virtue of the provisions of Section 285 of the Act allow otherwise, Directors shall so meet at least once in every three months and at least four such Meetings shall be held in every year. The Directors may adjourn and otherwise regulate their Meetings as they think fit. The provisions of this Article shall not be deemed to have been contravened merely by reason of the fact that the meeting of the Board which had been called in compliance with the terms of this Article could not be held for want of a quorum.
Quorum	194. (a) Subject to Section 287 of the Act the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one third being rounded off as one) or two Directors whichever is higher. PROVIDED that where at any time the number of interested Directors at any meeting exceeds or is equal to two-third of the Total Strength, the number of the remaining Directors that is to say, the number of remaining who are not interested) present at the Meeting being not less than two shall be the quorum during such time. (b)for the purpose of clause(a) (i) "Total Strength" means total strength of the Board of Directors of the Company determined in pursuance of the Act after deducting there from number of the Directors if any, whose places may be vacant at the time, and (ii) “Interested Directors” means any Directors whose presence cannot by reason of any provisions in the Act count for the purpose of forming a quorum at a meeting of the Board at the time of the discussion or vote on any matter.
Chairman of Meeting	196. The Chairman of the Board of Directors shall be the Chairman of the meetings of Directors, provided that if the Chairman of the Board of Directors is not present within five minutes after the appointed time for holding the same, meeting of the Director shall choose one of their members to be Chairman of such Meeting.
Powers of Board meeting	198. A meeting of the Board of Directors at which a quorum is present shall be competent to

Title of Article	Article Number and Contents
	exercise all or any of the authorities, powers and discretions which by or under the Act, or the Articles for the time being of the Company which are vested in or exercisable by the Board of Directors generally.
Directors may appoint Committee	199. The Board of Directors may subject to the provisions of Section 292 and other relevant provisions of the Act, and of these Articles delegate any of the powers other than the powers to make calls and to issue debentures to such Committee or Committees and may from time to time revoke and discharge any such Committee of the Board, either wholly or in part and either as to the persons or purposes, but every Committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation(s) that may from time to time be imposed on it by the Board of Directors. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointments, but not otherwise, shall have the like force and effect, as if done by the Board.
Meeting of the Committee how to be governed	200. The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding article. Quorum for the Committee meetings shall be two.
Circular resolution	201. (a) A resolution passed by circulation without a meeting of the Board or a Committee of the Board appointed under Article 201 shall subject to the provisions of sub-clause (b) hereof and the Act, be as valid and effectual as the resolution duly passed at a meeting of Directors or of a Committee duly called and held. (b) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation if the resolution has been circulated in draft together with necessary papers if any to all the Directors, or to all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee as the case may be) and to all other Directors or members of the Committee at their usual addresses in India or to such other addresses outside India specified by any such Directors or members of the Committee and has been approved by such of the Directors or members of the Committee, as are then in India, or by a majority of such of them as are entitled to vote on the resolution.

POWERS OF THE BOARD

Title of Article	Article Number and Contents
General powers of management vested in the Board of Directors	203. The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid Articles, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall not, except with the consent of the Company in General Meeting :- (a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the

Title of Article	Article Number and Contents
	whole, or substantially the whole, of any such undertaking; (b) remit, or give time for the repayment of, any debut due by a Director, (c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition or any such undertaking as is referred to in clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time; (d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose; (e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Section 349 and 350 of the Act during the three financial years immediately preceding whichever is greater, provided that the Company in the General Meeting or the Board of Directors shall not contribute any amount to any political party or for any political purposes to any individual or body; (i) Provided that in respect of the matter referred to in clause (d) and clause (e) such consent shall be obtained by a resolution of the Company which shall specify the total amount upto which moneys may be borrowed by the Board under clause (d) of as the case may be total amount which may be contributed to charitable or other funds in a financial year under clause (e) (ii) Provided further that the expression "temporary loans" in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but does not include loans raised for the purpose of financing expenditure of a capital nature.
Certain powers to be exercised by the Board only at Meetings	204. (1) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at the meeting of the Board; (a) the power to make calls, on shareholders in respect of money unpaid on their Shares, (b) the power to issue Debentures, (c) the power to borrow moneys otherwise than on Debentures, (d) the power to invest the funds of the Company, and (e) the power to make loans Provided that the Board may, by resolution passed at a Meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company, the powers specified in sub-clause (c) (d) and (e) to the extent specified below: (2) Every resolution delegating the power referred to in sub-clause (1) (c) above shall specify the total amount outstanding at any one time, upto which moneys may be borrowed by the delegate. (3) Every resolution delegating the power referred to in sub-clause (1) (d) above shall specify the total amount upto which the funds of the Company may be invested, and the nature of the investments which may be made by the delegate.

Title of Article	Article Number and Contents
	(4) Every resolution delegating the power referred to in sub-clause (1) (e)above shall specify the total amount upto which loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.

MANAGEMENT

Title of Articles	Article Number and Contents
Prohibition of simultaneous appointment of different categories of managerial personnel	206. The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel namely :- a) Managing Director and b) Manager.

MINUTES

Title of Article	Article Numbers and Contents
Minutes to be made	207. (1) The Company shall cause minutes of all proceedings of General Meeting and of all proceedings of every meeting of the Board of Directors or every Committee thereof within thirty days of the conclusion of every such meeting concerned by making entries thereof in books kept for that purpose with their pages consecutively numbered. (2) Each page of every such books shall be initialed or signed and the last page of the record of proceedings of each Meeting in such books shall be dated and signed: (a) in the case of minutes of proceedings of a meeting of Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting. (b) in the case of minutes of proceeding of the General Meeting, by the Chairman of the said meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period by a Director duly authorized by the Board for the purpose.
Minutes to be evidence of the proceeds Books of minutes of General Meeting to be kept	208. (a) The minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board or every Committee kept in accordance with the provisions of Section 193 of the Act shall be evidence of the proceedings recorded therein. (b) The books containing the aforesaid minutes shall be kept at the Registered Office of the Company and be open to the inspection of any Member without charge as provided in Section 196 of the Act and any Member shall be furnished with a copy of any minutes in accordance with the terms of that Section.

THE SECRETARY

Title of Articles	Article Number and Titles
Secretary	210. The Directors may from time to time appoint, and at their discretion, remove any individual, (hereinafter called "the Secretary") to perform any functions, which by the Act are to be performed by the Secretary, and to execute any other ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall be made according to the provisions of the Companies (Appointment and Qualifications of Secretary) Rules, 1988.
The Seal, its custody	211.

Title of Articles	Article Number and Titles
and use	(a) Seal The Board shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. (b) Common Seal for use outside India The Board may for the purpose of use of the Common Seal outside India, cause a facsimile of the Common Seal to be made and authorize the use of it in the manner provided under Section 50 of the Companies Act, 1956 (c) Safe Custody of Seal The Common Seal shall be in the safe custody of the Director or the Secretary for the time being of the Company. (d) Affixing of Seal on deeds and instruments' On every deed or instrument on which the Common Seal of the Company is required to be affixed, the Seal be affixed in the presence of a Director or a Secretary or any other person or persons Authorised in this behalf by the Board, who shall sign every such deed or instrument to which the Seal shall be affixed. (e) Affixing of Seal on Share Certificates Notwithstanding anything contained in Clause (d) above, the Seal on Share Certificates shall be affixed in the presence of such persons as are Authorised from time to time to sign the Share Certificates in accordance with the provisions of the Companies (Issue of Share Certificates) Rules in force for the time being. (f) Removal of Common Seal outside the office premises The Board may authorize any person or persons to carry the Common Seal to any place outside the Registered Office inside or outside for affixture and for return to safe custody to the Registered Office.

DIVIDENDS AND CAPITALISATION OF RESERVES

Title of Articles	**Article Number and Contents**
Division of profits	212. (a) 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 Share in the Company, dividends may be declared and paid according to the amounts of the Shares; (b) No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of this Article as paid on the Shares.
The Company at General Meeting may declare dividend	213. The Company in General Meeting may declare dividends, to be paid to Members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 207 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors. However, the Company may

	declare a smaller dividend than that recommended by the Board in General Meeting.
Dividends out of profits only	214. No dividend shall be payable except out of profits of the Company arrived at the manner provided for in Section 205 of the Act.
Interim dividend	215. The Board of Directors may from time to time pay to the Members such interim dividends as in their judgment the position of the Company justifies.
Effect of transfer of Shares	220. A transfer of Shares shall not pass the right to any dividend declared therein before the registration of the transfer.
Dividend to joint holders	221. Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares.
Dividend how remitted	222. The dividend payable in cash may be paid by cheque or warrant sent through post directly to registered address of the shareholder entitled to the payment of the dividend or in case of joint holders to the registered address of that one of the joint holders 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. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transit or for any dividend lost, to the Member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means.
Notice of dividend	223. Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holders of Share in the manner herein provided.
Reserves	224. The Directors may, before recommending or declaring any dividend set aside out of the profits of the Company such sums as they think proper as reserve or reserves, which shall, at the discretion of the Directors, be applicable for meeting contingencies or for any other purposes to which the profits of the Company may be properly applied 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 Directors may from time to time think fit.
Unpaid or unclaimed dividend	226. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, to any shareholder entitled to the payment of dividend, the Company shall within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty days, to a special account to be opened by the Company in that behalf in any scheduled bank and to be called "Aanjaneya Life Care Limited _____ (year) Unpaid Dividend Account". Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under Section 205C of the Act. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law
Dividends in cash	228. No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalisation of the profits or reserves of the Company for the purpose of issuing fully paid up bonus Shares or paying up any amount for the time being

	unpaid on any Shares held by Members of the Company.
Board to give effect	230. The Board shall give effect to the resolution passed by the Company in pursuance of above Article.
Fractional certificates	231. (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall; (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid Shares and (b) Generally do all acts and things required to give effect thereto. (2)The Board shall have full power: (a) to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions, also (b) to 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 capitalisation or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalised of the amounts remaining unpaid on their existing Shares. (3) Any agreement made under such authority shall be effective and binding on all such Members. (4)That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit.

ACCOUNTS

Title of Articles	Article Number and Contents
Books to be kept	232. (1) The Company shall keep at its Registered Office proper books of account as would give a true and fair view of the state of affairs of the Company or its transactions with respect to: all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place all sales and purchases of goods by the Company the assets and liabilities of the Company and if so required by the Central Government, such particulars relating to utilisation of material or labour or to other items of cost as may be prescribed by the Government Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place. (2)Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of clause (1) if proper books of account relating to the transaction effected at the branch are kept at that office and proper summarised returns, made upto date at intervals of not more than three months, are sent by the branch office to the Company at its Registered Office or the other place referred to in sub-clause (1). The books of accounts and other books and papers shall be open to inspection by any Director during business hours.
Inspection by Members	233. No Members (not being a Director) shall have any right of inspecting any account books or documents of the Company

Title of Articles	Article Number and Contents
	except as allowed by law or authorised by the Board.
Accounts to be audited	236. Once at least in every year the accounts of the Company shall be examined, balanced and audited and the correctness of the profit and loss Account and the balance sheet ascertained by one or more Auditor or Auditors.
Appointment of Auditors	237. (1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 224 to 229 and 231 of the Act. (2) The Company shall at each Annual General Meeting appoint an Auditor or Auditors to hold office from conclusion of that Meeting until the conclusion of the next Annual General Meeting and shall within seven days of the appointment give intimation thereof to the Auditor so appointed unless he is a retiring Auditor. (3) At any Annual General Meeting a retiring Auditor by whatsoever authority appointed shall be reappointed unless: (a) he is not qualified for re-appointment; (b) he has given to the Company notice in writing of his unwillingness to be re-appointed; (c) a resolution has been passed at that Meeting appointing some body instead of him or providing expressly that he shall not be re-appointed; or (d) where notice has been given of an intended resolution to appoint some person or persons in the place of retiring Auditor, and by reason of the death, incapacity or disqualification of that person or of all those persons as the case may be, the resolution cannot be proceeded with. (4) Where at any Annual General Meeting no Auditors are appointed or re-appointed, the Central Government may appoint a person to fill the vacancy. (5)The Company shall within seven days of the central government's power under sub-clause (4) becoming exercisable give notice of that fact to that Government. (6) The Directors may fill any casual vacancy in the office of Auditors, but while any such vacancy continues, the surviving or continuing Auditor or Auditors (if any) may act but where such vacancy is caused by the resignation of art Auditor, the vacancy shall only be filled by the Company in General Meeting. (7) A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless a special notice of a resolution for appointment of that person to the office of Auditor has been given by a Member to the Company not less than fourteen days before the Meeting in accordance with Section 190 of the Act and the Company shall send a copy of any such notice to retiring Auditor and shall give notice thereof, to the Members in accordance with Section 190 of the Act and all the other provisions of Section 225 of the Act shall apply in the matter. The provisions of this sub-clause shall also apply to a resolution that retiring Auditor shall not be re-appointed.

DOCUMENTS AND NOTICES

Title of Articles	Article Number and Contents
To whom documents must be served or given	239. Document or notice of every Meeting shall be served or given on or to (a) every Member (b) every person entitled to a Share in consequence of the death or insolvency of a Member and (c) the Auditor or Auditors for the time being of the Company, PROVIDED that when the notice of the Meeting is given by advertising the same in newspaper circulating in the neighbourhood of the office of the Company under Article 109, a statement of material facts referred to in Article 100 need not be annexed to the notice, as is required by that Article,

	but it shall merely be mentioned in the advertisement that the statement has been forwarded to the Members of the Company.
Members bound by documents or notices served on or given to previous holders	240. Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which prior to his name and address being entered in the Register of Members shall have been duly served on or given to the person from whom he derived, his title to such Share.
Service of documents on the Company	241. A document may be served on the Company or an officer thereof by sending it to the Company or officer at the Registered Office of the Company by post under a certificate of posting or by registered post or by leaving it at its Registered Office.
Authentication of documents and proceedings	242. Save as otherwise expressly provided in the Act, a document or proceedings requiring authentication by the Company may be signed by a Director, the Managing Director, or the Secretary or other authorised officer of the Company and need not be under the Seal of the Company.

REGISTERS AND DOCUMENTS

Title of Articles	Article Number and Contents
Registers and documents to be maintained by the Company	243. The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following: Register of investments made by the Company but not held in its own name, as required by Section 49(7) of the Act Register of mortgages and charges as required by Section 143 of the Act and copies of instruments creating any charge requiring registration according to Section 136 of the Act. Register and index of Members and debenture holders as required by Sections 150, 151 and 152 of the Act. Foreign register, if so thought fit, as required by Section 157 of the Act Register of contracts, with companies and firms in which Directors are interested as required by Section 301 of the Act. Register of Directors and Secretaries etc. as required by Section 303 of the Act. Register as to holdings by Directors of Shares and/or Debentures in the Company as required by Section 307 of the Act. Register of investments made by the Company in Shares and Debentures of the bodies corporate in the same group as required by Section 372(2) of the Act. Copies of annual returns prepared under Section 159 of the Act together with the copies of certificates and documents required to be annexed thereto under Section 161 of the Act. Register of loans, guarantees, or securities given to the other companies under the same management as required by Section 370 of the Act.
Inspection of Registers	244. The registers mentioned in clauses (f) and (i) of the foregoing Article and the minutes of all proceedings of General Meetings shall be open to inspection and extracts may be taken therefrom and copies thereof may be required by any Member of the Company in the same manner to the same extent and on payment of the same fees as in the case of the Register of Members of the Company provided for in clause (c) thereof. Copies of entries in the registers mentioned in the foregoing article shall be furnished to the persons entitled to the same on such days and during such business hours as may be consistent with the provisions of the Act in that behalf as determined by the Company in General Meeting.

WINDING UP

Title of Article	Article Number and Contents

Distribution of assets	245. If the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the Members in the proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up, on the Shares held by them respectively, and if in the winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the Shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of Shares issued upon special terms and conditions.
Right of shareholders in case of sale	247. A Special Resolution sanctioning a sale to any other Company duly passed pursuant to Section 494 of the Act may subject to the provisions of the Act in like manner as aforesaid determine that any Shares or other consideration receivable by the liquidator be distributed against the Members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the Members subject to the rights of dissent and consequential rights conferred by the said sanction.
Director, officer not responsible for acts of others	249. Subject to the provisions of Section 201 of the Act no Director, Auditor or other officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of the title to any property acquired by order of the Directors for on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested for any loss or damages arising from the insolvency or tortuous act of any person, firm or Company to or with whom any moneys, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgment, omission, default or oversight on his part of for any other loss, damage, or misfortune whatever shall happen in relation to execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.

SECRECY CLAUSE

Title of Article	Article Number and Contents
Secrecy Clause	250. Every Director/Manager, Auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or any other person-employed in the business of the Company shall, if so required by the Director, before entering upon his duties, sign a declaration pledging himself, to observe a strict secrecy respecting all transactions and affairs of the Company with the Company customers and the state of the accounts with individuals and in matter thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
No Member to enter the premises of the Company without permission	251. No Member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Board of Directors or Managing Director, or to inquire discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

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 the 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 Aanjaneya House, Plot 34, Postal Colony, Chembur, Mumbai – 400 071, Maharashtra, India, from date of filing the Red Herring Prospectus with RoC to Bid / Issue Closing Date on working days from 10.00 a.m. to 4.00 p.m..

Material Contracts

1. Issue Agreement dated September 03, 2010 between our Company and the BRLMs appointing them as the Book Running Lead Managers to the Issue.

2. Agreement dated May 18, 2010 between our Company and Link Intime India Private Limited appointing them as Registrar to the Issue.

3. Escrow Agreement dated April 26, 2011 between our Company, the BRLMs, Syndicate Members, Escrow Collection Bank and the Registrar to the Issue.

4. Syndicate Agreement dated April 26, 2011 between our Company, BRLMs, and the Syndicate Members.

5. Underwriting Agreement dated [●] between our Company, BRLMs and the Syndicate Members.

6. Tripartite agreement among the NSDL, our Company and Link Intime India Private Limited dated July 28, 2010.

7. Tripartite agreement among the CDSL, our Company and Link Intime India Private Limited dated March 12, 2010.

Material Documents

1. The initial Memorandum and Articles of Association of our Company and all amended copies thereto.

2. Certificate of Incorporation issued to our Company under the name “Anjaneya Biotech Private Limited”, dated January 3, 2006 bearing with ‘CIN U24230MH2006PTC158589’ issued by Assistant Registrar of Companies, Maharashtra, Mumbai.

3. Fresh Certificate of Incorporation issued to our Company pursuant to the change of name from “Anjaneya Biotech Private Limited” to “Aanjaneya Biotech Private Limited” dated March 08, 2007 with ‘CIN U24230MH2006PTC158589’ issued by the Deputy Registrar of Companies, Maharashtra, Mumbai.

4. Fresh Certificate of Incorporation issued to our Company pursuant to the change of name from “Aanjaneya Biotech Private Limited” to “Aanjaneya Biotech Limited” dated April 12, 2010 with ‘CIN U24230MH2006PLC158589’ issued by the Deputy Registrar of Companies, Maharashtra, Mumbai.

5. Fresh Certificate of Incorporation issued to our Company pursuant to the change of name from “Aanjaneya Biotech Limited” to “Aanjaneya Lifecare Limited” dated June 19, 2010 with ‘CIN U24230MH2006PLC158589’ issued by the Deputy Registrar of Companies, Maharashtra, Mumbai.

6. Resolution of the Board dated April 22, 2010 and Annual General Meeting resolution dated May 04, 2010 authorising the Issue.

7. Copies of the annual reports of our Company for the years ended March 31, 2007, 2008, 2009 and 2010 and audited financial report for the ten month period ended January 31, 2011.

8. Copy of the 'Statement of Tax Benefits' report issued by Sunil Mistry & Co., Chartered Accountants, dated April 7, 2011.

9. Report of the the statutory auditor, Sunil Mistry & Co., Chartered Accountants dated April 7, 2011 on our Company's restated financial statements as of and for the ten months period ended January 31, 2011 and for the Financial Years ended March 31, 2007, 2008, 2009 and 2010.

10. Copy of the Certificate from the statutory auditor, Sunil Mistry & Co., Chartered Accountants, dated April 7, 2011 regarding the sources and deployment of funds as on March 31, 2011.

11. Annual General Meeting resolution dated May 04, 2010 and the resolution of the Board dated April 22, 2010 for re-appointment, change in terms of our Directors, namely Dr. Kannan K. Vishwanath, Mr. Kashi Vishwanathan and Mr. Prabhat K. Goyal.

12. Consents in writing of: our Directors; our Company Secretary and Compliance Officer; our Auditors; Bankers to our Company; Escrow Collection Bank(s); Refund Bank(s); Syndicate Members; IPO Grading Agencies; BRLMs; the Registrar and the Legal Advisor to the Issue, to act in their respective capacities.

13. Asset Purchase Agreement dated March 30, 2010 with Prophyla Biologicals (P) Ltd. with respect to selling of certain assets of Prophyla situated at Gut No. 123, Pirangut taluka – Mulshi, district Pune – 411 004, Maharashtra, India.

14. Non Compete Agreement dated April 01, 2010 entered into between our Company and Prophyla Biologicals (P) Ltd.

15. Non Compete Agreement dated March 21, 2011 entered into between our Company and Aasda Life Care Limited.

16. Deed of Assignment dated April 1, 2010, entered between our Company and Prophyla Biologicals (P) Ltd. with respect to assigning the certain trademarks of Prophyla Biologicals (P) Ltd. to our Company.

17. Deed of Assignment of Patents dated May 28, 2009, assigning the Patents to our Company, between Benzochem Lifesciences (P) Ltd. and our Company.

18. Service Agreements dated May 18, 2010 by and between our Company and Mr. Kashi Vishwanathan, Dr. Kannan K. Vishwanath and Mr. Prabhat K. Goyal.

19. Service Agreement dated August 13, 2010 by and between our Company and Mr. Shashikant B. Shinde.

20. Deed of Assignment dated June 09, 2010, assigning the Patents to our Company, between Mr. Kashi Vishwanathan, Dr. Kannan K. Vishwanath and our Company.

21. Copy of the Certificate from the statutory auditor, Sunil Mistry & Co., Chartered Accountants, dated April 7, 2011 regarding the working capital calculations upto January 31, 2011.

22. Copy of the Certificate from the statutory auditor, Sunil Mistry & Co., Chartered Accountants, dated April 7, 2011 regarding the detailed use of funds brought in by Dr. Kannan K .Vishwanath and Aasda Life Care Limited on March 23, 2011.

23. Copy of the Certificate from the statutory auditor, Sunil Mistry & Co., Chartered Accountants, dated April 7, 2011 regarding the detailed use of funds brought in by Dr. Kannan K .Vishwanath on August 11, 2011.

24. Copy of the Vauation reports by M/s Sunil Mistry & Co. dated July 28, 2009 and by M/s Hasmukh Shah & Associates dated August 08, 2009.

25. Consent from FITCH and CRISIL for inclusion of their name in the Red Herring Prospectus for as the IPO Grading Agencies and for inclusion of their report in the form and context in which they appear in the Red Herring Prospectus.

26. In-principle listing approvals from BSE dated October 28, 2010 and NSE dated December 24, 2010.

27. Due Diligence Certificate dated September 13, 2010 provided to SEBI from the BRLMs.

28. SEBI observation letter no. CFD/DIL/SP/NB/10824/2011 dated March 31, 2011.

29. IPO Grading report by FITCH and CRISIL dated March 21, 2011 and March 28, 2011.

Any of the contracts or documents mentioned in the Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, the undersigned, hereby certify and declare that, all the relevant provisions of the Companies Act, and the guidelines issued by the Government of India and / or the regulations / guidelines issued by the Securities and Exchange Board of India, as applicable, have been complied with and no statement made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or rules, regulations or guidelines issued there under, as the case may be. We further certify that all the disclosures and statements made in the Red Herring Prospectus are true and correct.

SIGNED BY ALL THE DIRECTORS OF AANJANEYA LIFECARE LIMITED

Kashi Vishwanathan Chairman	**Kannan K. Vishwanath** Vice Chairman & Managing Director
Prabhat K. Goyal Whole time Director	**Shashikant B. Shinde** Whole time Director
Giridhar G. Pulleti Independent Director	**Balkrishna R. Parab** Independent Director
Ullooppee S. Badade Independent Director	**Kalidas S. Patel** Independent Director

SIGNED BY THE MANAGING DIRECTOR
Kannan K. Vishwanath

SIGNED BY THE CHIEF FINANCE OFFICER
Mani S. Iyer

SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER
Sumant A. Khedekar

Date: April 28, 2011
Place: Mumbai

Pharmaceuticals
India
IPO Grading Report

Aanjaneya Lifecare Limited

Fitch IPO Grade '2(ind)'

Fitch has assigned a grade of '2 (ind)' out of a maximum of '5 (ind)' to the proposed initial public offer of Aanjaneya Lifecare Limited. The grade indicates the below-average fundamentals of the issue relative to other listed equity securities in India.

IPO Details

Aanjaneya Lifecare Limited proposes to issue 5m equity shares. The issue will constitute 39.76% of the fully diluted post issue paid-up capital of company.

Analysts

Sankalp Baid
+91 22 4000 1792
Sankalp.baid@fitchratings.com

Ashwini Picardo
+91 22 4000 1787
ashwini.picardo@fitchratings.com

Shareholding Pattern

	(Pre issue)		(Post issue)	
	No. of shares	(%)	No. of shares	(%)
Promoter and promoter group				
Indian individuals	**2,026,687**	**26.75**	**2,026,687**	**16.11**
Dr. Kannan K. Vishwanathan	2,026,667	26.75	2,026,667	16.11
Mr. Kashi Vishwanathan	10	Negligible	10	Negligible
Ms. Divya K. Vishwanath	10	Negligible	10	Negligible
Indian bodies corporate	**5,549,950**	**73.25**	**5,549,950**	**44.13**
Total promoter and promoter group	**7,576,637**	**100**	**7,476,637**	**60.24**
Public shareholding				
Individual shareholders holding nominal share capital up to INR100,000	30	Negligible	30	Negligible
Others	-	-	5,000,000	39.76
Total public shareholding	**30**	**Negligible**	**5,000,030**	**39.76**
Grand total	**7,576,667**	**100.00**	**12,576,667**	**100**

Source: Company, Fitch

Grading Rationale

- Aanjaneya Lifecare Limited's (ALL) initial public offering (IPO) grading of '2(ind)' out of '5(ind)' factors in its established presence in the domestic anti-malarial active pharmaceutical ingredient (API) market and in Fitch's expectations of revenue and margins growth from its new formulation and contract manufacturing business segment. The grading is supported by the sponsors' experience in the API industry through its erstwhile group company - Benzochem Lifesciences Pvt Ltd (sold to Arch Pharmalabs Ltd in 2008) - and ALL's strong revenue growth and stable credit profile in its short operating history.
- ALL ventured into the formulation segment and contract manufacturing business in FY10 (end-March 2010) after acquiring Prophyla Biologicals (P) Limited's (PBPL) assets. Fitch expects ALL's formulation business to benefit from revenue generation from PBPL's existing customers, the launch of products in branded generic segment and its entrance into new countries. Also, ALL could also see margin benefits as it is a vertically integrated player in the anti-malarial segment.
- The grading is constrained by ALL's small scale and size of operations, limited operating history, high working capital levels and subsequent liquidity risk. Furthermore, ALL's cash flows from operations were negative over FY09-FY10 due to the deterioration of its working capital cycle (FY10: 130 days, FY09: 94 days). The company's free cash flows also remained negative over FY09-FY10 due to capex incurred during the period.
- The IPO proceeds will be used to part fund ALL's INR1,166.4m capex during FY11-FY12 for expanding API and formulations capacity and for R&D activities.

Company Background

Incorporated in 2006 as API manufacturing company, Aanjaneya is now an API cum formulations manufacturer with two manufacturing facilities - one each at Mahad and Pune in Maharashtra.

ALL intends to become a vertically integrated player and launch its own brands for generic drugs. It has already launched over 11 branded generics in therapeutic segment.

Management and Sponsors

Dr Kannan Vishwanathan and Aasda Lifecare Limited (Aasda) are the sponsors of the company. Dr. Kanna Vishwanathan, who is the Managing Director/Vice Chairman, holds a majority stake directly and indirectly in ALL through Aasda.

Board of Directors

Name	Designation
Mr. Kashi Vishwanathan	Executive Chairman, Non Independent Director
Dr. Kannan K. Vishwanath	Executive Vice Chairman and Managing Director
Mr. Prabhat K. Goyal	Whole Time Director
Mr. Shashikant B. Shinde	Whole Time Director
Dr. Ullooppee S. Badade	Independent Director
Mr. Giridhar G. Pulleti	Independent Director
Mr. Balkrishna R. Parab	Independent Director
Mr. Kalidas S. Patel	Independent Director

Source: Company

The sponsors have a prior experience in the API segment via its erstwhile group company BLPL, which was engaged in the manufacture of API and intermediates in anti-cancer segment through its US FDA approved Tarapur manufacturing facility. The company was sold in 2008 at INR1,000m. In FY08, BLPL reported total revenue of INR1,500m.

Business Overview

Product Portfolio

ALL is primarily into the manufacturing second and third generation anti-malarial API–quinine salts and artemisinin-based derivatives. It also plans to make anti-cancer API, herbal API and narcotics API and niche intermediates at its Mahad plant. Herbal and narcotics API will serve as feeder to their formulations plant in Pune.

In March 2010, ALL acquired the assets of PBPL formulation unit in Pune and entered into the manufacturing of lozenges, syrups and ointment/gels/creams. PBPL was primarily a contract manufacturer, catering to big pharmaceutical companies. Through this acquisition, ALL will be benefited with readymade client base. This acquisition is in line with the vision of the company management to become a vertically integrated pharmaceutical company.

The company also intends to launch niche products like hormone replacement and anti-cancer therapies in the regulated and developed market in the next two to three years.

As of 15 September 2010, ALL had five registered patents in India. Furthermore, it has acquired rights for three patent applications, filed for an improved and non-infringing process for producing anti-cancer APIs. ALL has 98 registered trademarks in India and further applied to register 90 trademarks.

Production Facilities

The company has two manufacturing facilities at Mahad and Pune. At Mahad, ALL has an installed capacity of 450,000 kg for processing quinine, a second generation pharmaceutical API for malaria. It has already started manufacturing third generation API for malaria. It is also setting up a separate manufacturing block for anti-cancer APIs and a separate cGMP and intermediate blocks for manufacturing niche APIs, which have applications in various therapeutic segments.

PBPL's formulation unit provides ALL access to tap opportunities in finished dosage form segment, which includes liquid, lozenges, ointment etc. ALL is in the process of setting up tablet and capsule manufacturing facility at its Pune plant. It has flexible manufacturing infrastructure, which facilitates product changeover as per demand of customers.

Market Focus

ALL focus is largely on domestic and emerging markets like Kenya, South Africa, Tanzania etc, as its strategy is to expand into regions which are similar to Indian markets with lower regulatory hurdles. The company plans to explore new markets and segments, with special attention to institutional sales, branded generics, contract manufacturing and export market.

Raw Materials Dynamics

There are primarily two types of raw materials used by ALL – synthetic and natural/herbal. The primary raw material for the second generation anti-malarial API is cinchona bark, which grows in the African forests and north-east Indian forests. There is no organised farming for this kind of bark. Fitch notes that due to the limited supply, the price of the raw materials shows increasing trends. This might affect the margins adversely; however, the increase in prices of raw materials can be successfully passed on to customers. The company has no long-term contracts with any raw material suppliers. Supply of raw materials is depended on monsoon and growth of barks.

For manufacturing of API other than mentioned above, and herbal products, primary raw materials are natural extracts. ALL mostly purchases these from domestic suppliers in extracted forms like powder, and availability is generally not a constraint.

Research and Development

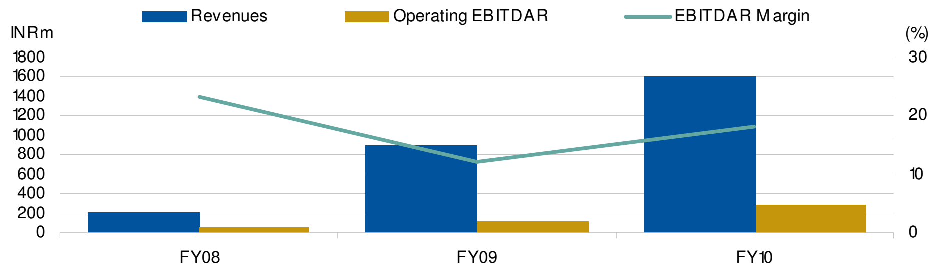
ALL has a team of four people in their research and development department. It intends to focus on its research and development capabilities. At Mahad, the company is focusing on setting up a pilot plant and facilities for process improvement and product stabilisation. At Pune, it plans to set up a facility for research on innovative combinations of products. It is also focussing on developing alternative drug delivery system. The facility is expected to be completed by October 2011.

Financial Overview

Growth & Profitability

ALL started commercial operations in September 2007 and registered revenue of INR218m during the first six months. The company primarily sells to manufacturers in the formulation segment or contract manufacturers. In FY10, its revenues grew by 79% yoy to INR1616.7m, with an improvement in EBITDA and EBITDA margins to INR292.7m and 18.1%, respectively, compared to INR108.9m and 12.1% in FY09.

Revenue and Profitability



Source: Company, Fitch

Working Capital Management

ALL's working capital cycle showed an increasing trend in FY10 to reach 130 days from 94 days in FY09, primarily due to the increase in average inventory holding period from higher stocks of raw materials and finished goods. These were required to meet the increased processing capacity and supply final products to the customers in a timely manner as per their requirements.

Working Capital Cycle

	FY10	FY09
Average inventory period (days)	73	43
Average receivables period (days)	84	87
Gross cash cycle (days)	157	130
Average payables period (days)	27	36
Cash conversion cycle (days)	130	94

Source: Fitch

Liquidity and Debt

During FY08-FY10, ALL cash flow from operation was negative due to the high working capital cycle, primarily due to the capital intensive nature of industry and growing business of ALL. As at 31 March 2010, the company's total term loans from banks were INR98.8m and fund-based working capital facilities utilised at INR397.1m.

ALL's credit metrics remained comfortable in FY10 with net debt/operating EBITDAR at 2x and operating EBITDAR/net fixed charges at 4.9x (FY09: 3.4x and 4.2x, respectively). Fitch expects the company's credit metrics to remain comfortable in the near-term, despite its significant capex plans. In addition, the agency expects liquidity to strengthen with the successful completion of its IPO.

Returns

ALL's return on capital employed (operating EBITDAR/average capital employed) increased to 36.7% in FY10 from 32.6% in FY09, primarily due to the improvement in its profit margins, with a fairly stable asset base. However, return on net worth (profit after tax/average equity) declined to 48.5% in FY10 from 61.2% in FY09, due to increase in financing and interest charges during the year on account of increased debt.

The company has been operating on relatively medium size asset base till FY10, hence the total assets turnover was over 1.2x in FY09 and FY10. However, Fitch notes that equity infusion will increase fixed assets and hence the total assets, and expects a decline in asset turnover ratio, leading to lower return on assets in the medium-term.

Annex 1

Financial Summary

	FY10	FY09	FY08
Income statement			
Revenues	1,616.7	901.3	218.8
Revenue growth	79.4	311.9	n.a.
EBIT	288.6	103.7	48.4
Interest expense net of interest income	60.0	25.7	7.8
Net income	150.7	51.1	23.2
Balance sheet			
Cash and equivalents	2.6	2.6	0.7
Total assets	1,347.6	607.1	276.0
Short-term debt	-	-	-
Senior long-term debt	596.9	376.3	124.4
Subordinated debt	-	-	-
Total debt	596.9	376.3	124.4
Off-balance sheet debt	-	-	-
Total adjusted debt	596.9	376.3	124.4
Preferred stock + minority interests	-	-	-
Common equity	497.7	123.8	43.2
Total adjusted capitalisation	1,094.6	500.1	167.6
Cash flow			
Operating EBITDAR (“op. EBITDAR”)	292.7	108.9	50.7
Cash interest paid, net of interest received	60.0	25.7	7.8
Cash tax paid	23.7	6.1	-
Associate dividends	0.2	0.1	-
Other changes before funds From operations[b]	4.6	-0.2	-0.1
Funds from operations	213.8	77.0	42.8
Working capital	-269.1	-322.1	-74.1
Cash flow from operations	-55.3	-245.1	-31.3
Non-operational cash flow[a]	-	-	-0.5
Capital expenditure	388.0	29.8	103.0
Dividends paid	-	-	-
Free cash flow	-443.3	-274.9	-134.8
Receipts from asset disposals	-	-	-
Business acquisitions	-	-	-
Business divestments	-	-	-
Exceptional & other cash flow items	-0.3	-0.3	-
Net cash in/outflow	-443.6	-275.2	-134.8
Equity issuance/(buyback)	223.2	29.5	19.9
FX movement	-	-	-
Other items affecting cash flow[b]	-0.2	-4.3	-3.5
Net cash flow available for financing	-220.6	-250.0	-118.4
Closing net debt	594.3	373.7	123.7
Profitability			
Op. EBITDAR/revenues (%)	18.1	12.1	23.2
EBIT/revenues (%)	17.9	11.5	22.1
FFO return on adjusted capital (%)	25.1	20.6	30.2
Credit ratios			
Funds from operations/gross interest expense (x)	4.5	4.0	6.5
FFO fixed charge cover (x)	4.5	4.0	6.5
Op. EBITDAR/net fixed charges (x)	4.9	4.2	6.5
Adjusted leverage/FFO (x)	2.2	3.7	2.5
Total adjusted debt net of cash/op. EBITDAR (x)	2.0	3.4	2.4
Total adjusted debt/total adjusted capitalisation (%)	54.5	75.2	74.2

[a] Net cash from financial investments, analyst estimate of non-operational cash flows
[b] Balancing item
Source: Company, Fitch

Aanjaneya Lifecare Limited

CRISIL IPO Grade 1/5 (Poor)

March 28, 2011

Grading summary

CRISIL Equities has assigned a CRISIL IPO grade of **'1/5'** (pronounced "one on five") to the proposed IPO of Aanjaneya Lifecare Limited (Aanjaneya). This grade indicates that the fundamentals of the IPO are **poor** relative to the other listed equity securities in India. However, this grade is not an opinion on whether the issue price is appropriate in relation to the issue fundamentals. The offer price for the issue may be higher or lower than the level justified by its fundamentals. The grade is not a recommendation to buy, sell or hold the graded instrument, its future market price or suitability for a particular investor. To arrive at the overall grade, amongst various other parameters, CRISIL has considered the company's business prospects, its financial performance, management capabilities and corporate governance practices.

The assigned grade reflects the company's limited corporate governance practices. In Aug 2009, Aanjaneya was acquired by Finaventure Capital (FCL), a shell company listed on the Bombay Stock Exchange (BSE), through a share swap, whereby Aanjaneya's promoters parted 33.75% holding to FCL's shareholders. For the transaction, Aanjaneya was valued at Rs 280 mn and the implied valuation of FCL was Rs 143 mn. CRISIL Equities believes that the amount paid does not commensurate with the business prospects of FCL. In addition, the independent directors' engagement and board practices need to be significantly strengthened.

Aanjaneya's focus areas – formulations for cough and cold, anti-malarial, anti-cancer and herbal medicine segments – are expected to see steady demand growth. The company, an anti-malarial API manufacturer, entered into codeine-based formulation by acquiring Prophyla Biologicals Private Ltd in March 2010. Prophyla was into formulation job-work for large Indian pharmaceutical companies and had one of the largest codeine quotas in the country. Aanjaneya's key strength is its ability to source quinine and codeine, which are the two key raw materials for anti-malarial and cough and cold formulations. As formulations for anti-malaria and cough syrup are in constant demand, Aanjaneya's unique position aids in revenue stability. All the clients are dependent on Aanjaneya for the APIs and formulations. The company has strong relationships with clients like Cipla, Wockhardt, Tablets India Zydus Cadilla and others.

Aanjaneya has entered the branded segment with its own codeine-based formulations and lozenges for cough and cold. Post IPO, the company plans to focus on anti-cancer and own brands. The codeine business is highly regulated by the Bureau of Narcotics (BoN). BoN controls the quota of codeine and constantly monitors for misuse of codeine. As codeine can only be purchased from BoN, any production shortfall or non-import by BoN can limit the company's growth potential.

Incorporated in 2006, Aanjaneya has scaled up revenues to Rs 1,617 mn in FY10 with EBITDA and PAT margins of 18.1% and 9.3%, respectively, and RoE of 48.5%. In March 2010, Aanjaneya bought the assets of Prophyla Biologicals Pvt Ltd for Rs 280 mn. These assets were transferred with effect from 1 April 2010 and, thus, Aanjaneya's financials for H1FY11 cannot be compared to its historical financials. For H1FY11, the company posted a top line of Rs 1,401 mn which included Rs 801 mn of API-related revenue and Rs 599 mn of formulation revenue. EBIDTA and PAT margins were 19.3% and 10.1% respectively. RoE was 13% on the back of capital infusion.

Contacts:

Media

Mitu Samar

Head, Market Development & Communications

CRISIL Limited

Phone: +91-22-3342 1838

Mobile: +91-9820061934

Fax: +91-22-3342 3001

Email: msamar@crisil.com

Analytical

Tarun Bhatia

Director – Capital Markets

Phone: +91-22-3342 3226

Email: tbhatia@crisil.com

Chetan Majithia

Head, Equities

Phone: +91-22-3342 4148

Email: chetanmajithia@crisil.com

CRISIL Limited

Phone: +91-22-3342 3000

Fax: +91-22 -3342 3501

Client-Servicing

Client servicing

Phone: +91-22-3342 3561

Email:

clientservicing@crisil.com

About the company

Originally incorporated as Aanjaneya Biotech Private Ltd on January 3, 2006, it changed its name to Aanjaneya Biotech Private Ltd on March 8, 2007. Converted into a public limited company on April 12, 2010, it subsequently changed its name to Aanjaneya Biotech Ltd. It was rechristened Aanjaneya Lifecare Ltd (Aanjaneya) on June 19, 2010. The current promoters are Finaventure Capital Ltd (name changed to Aasda Life Care Ltd, yet to be approved by the BSE) and Dr. Kannan K. Vishwanath. Finaventure Capital Ltd is a BSE-listed company with a market capitalisation of Rs 950 mn (as of December 21, 2010).

Dr. Kannan K. Vishwanath and his father Mr Kashi Vishwanathan were the erstwhile promoters of Benzo Chemicals, which focused on anti-malarial and anti-cancer segments.

Though the company was incorporated in 2006, it commenced commercial production of APIs (active pharmaceuticals ingredients) of quinine salts (a second generation anti malarial), in 2007. In 2010, the company ventured into manufacturing of finished dosage forms by acquiring the assets of Prophyla Biologicals Pvt. Ltd through an asset purchase agreement dated March 30, 2010 and deed of assignment for trademarks dated April 1, 2010.

A. Issue details

No. of shares being offered	5 mn; fresh issue
Targeted issue size (Rs Mn)	Not available at the time of grading
Face value per share	Rs 10
Proposed price per share	Not available at the time of grading
Lead managers	Aanand Rathi Advisors Ltd, IDBI Capital Market Services Ltd
Legal advisors to the Issue	M/s Crawford Bayley & Co.
Registrar to the issue	Link Intime India Private Ltd

Detailed Grading Rationale

B. Corporate Governance

- *Acquisition by Finaventure Capital*
  - Aanjaneya was formed in 2006 by Mr Kannan K Vishwanathan (60%) and Finaventure Advisors Ltd (40%). Finaventure Advisors exited the company in 2008.
  - Finaventure Advisors acquired Indusvista Ventures Ltd, a shell company listed on the BSE at Rs25 per share. The name of the company was changed to Finaventure Capital Limited (FCL) in May 2009 and then to Aasda Lifecare Ltd in March 2010 (name change yet to be approved by the BSE).
  - In March 2010, Aanjaneya became a 100% subsidiary of FCL at a conversion price Rs 40 per FCL share. Through this transaction, Aanjaneya's shareholders gave away 33.75% stake to FCL's shareholders although FCL did not have a business of its own. Also, FCL was originally acquired by Finaventure Advisors Ltd for Rs 25 per share, and within one year, with no value addition to the business, Aanjaneya's shareholders agreed for a share swap at Rs 40 per FCL share.
  - For the transaction, Aanjaneya was valued at Rs 280 mn and implied valuation of FCL was Rs 143 mn.
  - As per the management, the above transaction was done so that Aanjaneya could raise funds through FCL for growth opportunities. Any such transaction in the future may have an implication on the minority shareholders of Aanjaneya.
  - Aanjaneya and FCL entered into a non-compete agreement in March 2011, as both the companies have similar business objects.

- *Corporate governance practices needs further strengthening*
  - From our conversation with the independent directors, we believe that their engagement and awareness levels and board practices can be significantly improved. Also, the company has had frequent capital structure and name changes.

C. Business Prospects

- ### *Indian pharmaceutical industry is poised for ~16 % CAGR*

  - CRISIL Research expects the Indian pharmaceutical industry to grow at 16% over FY10-15, with the domestic formulation market growing 13% and exports up by 17%. The domestic market is expected to improve on increased demand due to chronic and lifestyle diseases and rising disposable incomes. Aanjaneya's focus areas – formulations for cough and cold, anti-malarial, anti-cancer and herbal medicine segments – are expected to see steady growth in demand. Exports are expected to benefit with products going off patent in the developed markets, which is an opportunity for Indian players to enter, given the low cost base.

  - **Anti-malarial market:** The anti-malarial market is expected to grow on the back of an increasing population, lack of infrastructure and repeated attacks on people with a low immunity system. Some of the largest markets for anti-malaria drugs are China, India, Indonesia, Latin America and sub-Saharan Africa. In India, the anti-malarial drugs market has grown at a CAGR of 22% over FY06-10. The anti-malaria API market is dominated by artemotil, artesunate, chloroquine and quinine, which do not come under pricing regulations. Hence, Aanjaneya stands to benefit from the demand growth in the anti-malaria segment.

  - **Anti-cancer market:** Oncology is one of the fastest growing therapeutic segments in both global and domestic markets. The Indian oncology market, with a CAGR of 30% in the past three years, is valued at ~Rs 800 crore. As per industry sources, this segment is expected to grow at 21% over the next three years. Globally, the oncology market was valued at US$ 45 bn in FY09 and is expected to grow at a CAGR of 11.6% over the next five years. Aanjaneya, with the IPO proceeds, plans to set up an anti-cancer unit to cater to the generic oncology market. Aanjaneya's promoters have experience in anti-cancer APIs through their association with Benzo Chemicals.

  - **Herbal medicine market:** The domestic herbal medicine market is worth ~Rs 70 bn and is expected to grow at a CAGR of 20% over the next two years. India's total herbal export is worth Rs 36 bn and is expected to grow at a CAGR 25% over the next two years. Over the years, herbal medication is being increasingly used in combination with allopathic treatments. This rising trend is on the back of the availability of quality ingredients, price competitiveness, and virtually no side effects. Exports of herbal products from India are on the rise as they meet the required WHO standards. In the herbal space, Aanjaneya is focussing on cough and cold, liver protection, throat congestion and osteoporosis therapy areas.

- ### *Aanjaneya Lifecare Limited has carved out a few niche segments for itself*

  The pharmaceutical market - though diverse - sees severe competition among both organised and unorganised players. Hence, Aanjaneya has decided to focus on a few niche therapeutic segments - anti-malarial, erectile dysfunction, pain management, herbals, codeine-based syrups, hormone replacement, anti-obesity and is also setting up a dedicated anti-cancer drugs facility. The company is selling these products in the domestic market and has applied for registrations in semi-regulated markets; currently, it exports APIs to semi-regulated markets. It has received registrations for its Prosil lozenges range in Haiti, South Africa, Hong Kong and the Dominique Republic. Registrations of its various products are in progress in Africa, the Gulf Cooperation Council (GCC) and East Asia, which will augment revenues going forward.

Aanjaneya also under takes P2P (price to price[1]) contracts for formulations with the large local pharma companies like Cipla, Wockhardt, Glenmark. In the own branded generic segment, the company has products like Anjtil, Rankorex, Doktor Qure, Prosils, LivChek, Herbal Drops and Esyhil, catering to cough, cold and liver segments.

The company has an Indian patent for gel-based formulation for hormone delivery and is yet to launch the drug. Also, it is one of the five lozenge manufacturers in India.

- *Aanjaneya is in a transition phase, thanks to the Prophyla acquisition*
  - Aanjaneya started as an API manufacturer, primarily engaged in quinine salts – a key second generation API - for curing malaria. It entered the formulation business by acquiring Prophyla Biological Pvt Ltd in March 2010. Prophyla's list of clients included the top 100 domestic pharmaceutical companies for whom it used to undertake job-work. Post acquisition, Aanjaneya restructured Prophyla's operations from a job-work based player to a P2P manufacturer of formulation. The company has also launched its own cough syrup – Rankorex, after acquiring Prophyla.
- *Access to raw materials*
  - The company's inherent strength lies in its access to two key raw materials – codeine and quinine.
- *Codeine*
  - Cough syrups are predominantly manufactured using dextromethorphan or codeine. Top codeine-based cough syrups in India include Corex (Pfizer), Phensedyl (Nicholas Piramal) and Ricodex (Wockhardt).
  - Codeine is a narcotics-based formulation, manufactured from poppy seeds (opium), which is highly regulated globally through the Vienna Convention. In India, it is controlled by the Bureau of Narcotics (BoN), which licenses codeine quotas and allocates supplies to licence-holders in India.
  - BoN has not given fresh licence to any player in the past 5-10 years.
  - Allocations are made based on the output of poppy seeds and in case of short supply, only BoN can import codeine.
  - In India, Pfizer has the highest licensed quota with 8,000 kgs per annum, followed by Piramal (acquired by Abbot) 7,200 kgs and Aanjaneya with 6,000 kgs. There are 10-12 other predominant but unlisted players and information about their quota is not available. As per management, India has given out about 50,000 - 80,000 kgs of codeine licence.
  - Due to the regulatory entry barrier, Aanjaneya has higher supplier power compared to its clients. Hence, it has been able to turn around Prophyla from a job-work player to a P2P manufacturer.

[1] Price to price is where the supplier (Aanjaneya) undertakes entire responsibility for the product, right from sourcing raw material to the finished product. In job-work, all materials are provided by the client.

- *Quinine*
  - In use for more than 400 years, quinine salt is a second-generation anti-malarial product derived from cinchona bark, which is abundantly available in Africa (world's largest grower). But the difficult socio-economic nature of the African nations makes sourcing the bark difficult too. Globally, there are only nine companies manufacturing quinine salts while most companies prefer to buy APIs and formulate the product. But Aanjaneya's management's expertise in sourcing the bark (gained from Benzo Chemicals) is a significant advantage for the company. Aanjaneya is the second largest quinine manufacturer in India. Aanjaneya is the only other company apart from IPCA to receive WHO pre-qualification for APIs and formulations of anti-malarial drugs.

- *Raw materials sourcing capability provides stability to revenues*
  - As formulations for anti-malaria and cough syrup are in constant demand with a 12-15% y-o-y growth, Aanjaneya's unique position aids in revenue stability. All the clients are dependent on Aanjaneya for the APIs and formulations. The company has strong relationships with clients like Cipla, Wockhardt, Tablets India, Zydus Cadilla and others.

- *Entering the branded formulations market*
  - Post IPO, the company plans to significantly scale up its marginal presence (in two and three tier cities in north India) in the OTC herbal segment and branded generics formulations business The key products include Aanjatone (similar to Liv-52), Rankorex (similar to Corex), Prosils (lozenges) amongst others. The company is currently building relationship with the distributors through promotional route.
  - For future growth, the company has entered into an agreement (in June 2010) with Rx Pharma India, a marketing company, for availing their services for sales management, logistics and marketing its products through their distributor network. The company has earmarked Rs 150 mn towards marketing its products on a pan-India basis.

- *Anti-cancer – focus on institutional sales:*
  - Aanjaneya is planning to set up an anti-cancer facility through the IPO proceeds to cater to the oncology market. Anti-cancer drugs are primarily sold to institutions like Tata Memorial, Cancer Institute and other institutions specialising in cancer through tenders, and not through the normal distribution network. The promoters of Aanjaneya have expertise in anti-cancer segment by virtue of managing Benzo Chem.

D. Financial Performance

Aanjaneya started in 2006 as an API manufacturer of quinine salts and later diversified to artemesinin during FY10 – both anti-malarial APIs. Commercial production commenced in 2007. The company's revenues increased to Rs 1,617 mn in FY10 from Rs 219 mn in FY08. It posted EBIDTA and PAT margins of 18.1% and 9.3%, respectively, in FY10 with RoE of 48.5%. In March 2010, Aanjaneya bought the assets of Prophyla Biologicals Pvt Ltd (which undertook formulation job-work for pharma companies) for Rs 280 mn. With this acquisition, the company got an entry into the pharmaceutical formulation space. These assets were transferred with effect from April 1, 2010 and thus, Aanjaneya's financials for H1FY11 cannot be compared to its historical financials.

In H1FY11, the company posted a top line of Rs 1,401 mn which included Rs 801 mn from API-related revenue and Rs 599 mn from formulation revenue. EBIDTA and PAT margins were at 19.3% and 10.1%, respectively. RoE was at 13% on the back of capital infusion.

Financial performance snapshot

Rs mn	FY10 Actual 12 months	FY09 Actual 12 months	FY08 Actual 12 months
Net Sales	1617	901	219
PAT	151	51	23
Net block	469	132	107
Capital WIP	42	-	-
Equity capital	58	50	20
Net worth	497	123	43
Debt	597	376	124
Cash and bank balances	8	7	0.8
Net debt-to-equity	1.2	3.0	2.9

Source: DRHP

E. Proposed use of Issue Proceeds

Sr. No.	Proposed use of issue proceeds	Total estimated costs (Rs mn)	Amount estimated to be utilized from net proceeds (Rs mn)
1	Setting up of Anti Cancer API Facility at Mahad, Maharashtra	265	265
2	Setting up of cGMP Block for APIs at Mahad, Maharashtra	137	137
3	Setting up of Intermediate API Block at Mahad, Maharashtra	87	87
4	Expansion of existing Research & Development centre at Mahad and Pune, Maharashtra	191	191
5	Setting up of a Quality Control and Quality Assurance Block at Mahad, Maharashtra	142	142
6	Setting up of Product Development Laboratory at Mahad, Maharashtra	16	16
7	Setting up of Stores Building at Mahad, Maharashtra	71	71
8	Meeting the Expenses for Branding and Registration of our Products in the International Markets	100	100
9	General Corporate Purposes	--	--
10	Issue Expenses	--	--
	Total	**--**	**--**

Source: DRHP

F. Management Capabilities

- *Experienced top management*
  - The company is run by Dr. Kannan Kashi Vishwanath, who is the promoter, vice-chairman and managing director of the company and has around 10 years of experience in the pharmaceutical industry, and his father, Mr Kashi Vishwanathan, who was the promoter of Benzo Chemicals. Prabhat K. Goyal, whole-time director in charge of the plant in Mahad, has over 30 years of experience in the pharma space. Management's expertise is mainly in anti-malaria (quinine and artemesinin APIs) and anti-cancer drugs owing to their earlier association with Benzo Chemicals.

- *Second line is adequate for current operations*
  - Based on our interactions, we believe that the second line is adequate to run the current operations, but will have to be scaled up to handle the demands of future expansions. Most of the second line has been recruited recently, with few business heads coming through the Prophyla acquisition. Also, the management is heavily dependent on the company's distribution partner, Rx Pharma, for distribution of its formulations as it lacks in-house distribution expertise.

Annexure I

Business Profile

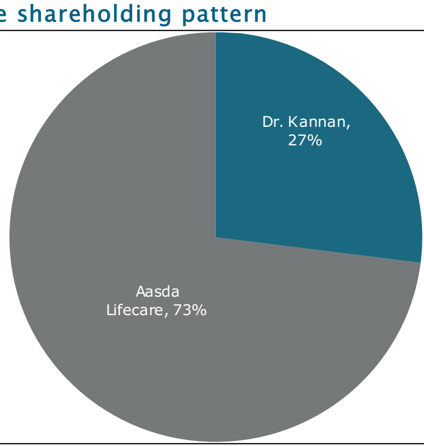
- ### *Business overview*
  - Aanjaneya Lifecare Ltd is a vertically integrated pharmaceutical company manufacturing and marketing anti-malarial APIs (active pharmaceutical ingredients) and finished dosage forms (FDFs) catering to various therapeutic segments.

- ### *Mahad: API manufacturing*
  - The company began its manufacturing in 2007 with an installed capacity of 200 MT per annum for processing quinine, a pharmaceutical API derived from natural extracts, for supplying to other pharmaceutical companies for their FDFs. Located in Additional MIDC, Mahad (Maharashtra), the GMP-certified API facility has also been awarded ISO 4001:200 (Environment Management System), ISO 9001:2008 & ISO 22000:2005 certifications by BSI Systems. The company's installed capacity for processing quinine has grown from 200 MT per annum in 2007 to 450 MT per annum in 2010. It has already commenced production of third generation anti-malarial APIs i.e. artemisinin and its derivatives.

- ### *Pune: Formulation manufacturing*
  - Through an asset purchase agreement dated March 30, 2010, the company acquired assets of Prophyla Biologicals, which is spread over 6,430 sq. mts in Mulshi, Pune. Prophyla was engaged in the business of formulations/ FDFs. With this acquisition, Aanjaneya is able to manufacture lozenges, syrups and ointment/gels/creams. Prophyla had codeine quota of six tonne per annum and it is one of the largest quota holder in this space. This acquisition has not only given the company an access to codeine-based formulation but also helped it to be an integrated player with its presence in the entire value chain in the pharmaceutical industry.

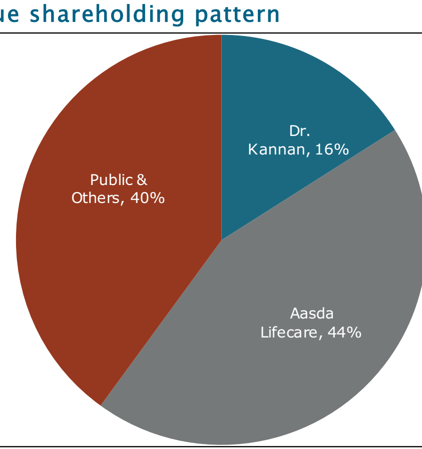
- ### *Shareholding pattern*

Pre-issue shareholding pattern



Source: DRHP

Post-issue shareholding pattern



Source: DRHP

Annexure II: Profile of the Directors

Board of Directors

Name	Designation	Age	Qualification	Experience (years)	Previous Employment	Directorships / partnership in other entities
Mr. Kashi Vishwanathan	Executive & Non-Independent Chairman	65	Science Graduate, Mumbai University	45+		Aasda Life Care Ltd
Dr. Kannan K Vishwanath	Vice-Chairman & Managing Director	34	Bachelor's degree in Chemical Engineering, MBA from Hamilton College, USA	10+		Aasda Life Care Ltd
Mr. Prabhat K Goyal	Executive & Non-Independent Director	55	Post-Graduate in Organic Chemistry From Vikram University	33+	Elder Pharmaceuticals Limited, IPCA Laboratories Ltd, Ranbaxy Laboratories Ltd & Jayant Vitamins Ltd	
Mr.Shashikant B Shinde	Executive & Non-Independent Director	58	Bachelor's in Science and Master's in Management from Marathwada University,	32+	Aristo Pharmaceuticals Private Ltd, Geno Pharmaceuticals Ltd, Rathi Brothers Ltd & Lyka Labs Private Ltd	Prophyla Biologicals Ltd
Dr. Ulloppee S. Badade	Non-executive & Independent Director	40	MBBS from Amravati University & Master's in Business Administration(Hospital Administration) from University of Pune	16+	Manipal Cure & Care Private Limited, Lokmanya Hospital, Supertech Neurosurgical Centre and Nirmay Hospital	Aasda Life Care Limited
Mr. Giridhar G. Pulleti	Non-executive & Independent Director	42	Masters degree in Science with specialisation in Organic Chemistry	20+		Sanova Pharma Chem Private Limited Nutra Specialities Private Limited
Mr. Balkrishna R Parab	Non-executive & Independent Director	39	Bachelor's degree in Commerce from University of Mumbai	10+		
Mr. Kalidas S Patel	Non-executive & Independent Director	57	Bachelor's degree in Commerce from University of Mumbai & a qualified graduate Cost & Works Accountant, Practicing CA	29+		

Please note that all the companies wherein above Board members have directorships have not been listed in the above table. Hence, the list is just indicative.

Source: Company, DRHP

Disclaimer

A CRISIL IPO Grading is a one-time assessment and reflects CRISIL's current opinion on the fundamentals of the graded equity issue in relation to other listed equity securities in India. A CRISIL IPO Grading is neither an audit of the issuer by CRISIL nor is it a credit rating. Every CRISIL IPO Grading is based on the information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the grading is based. A CRISIL IPO Grading is not a recommendation to buy / sell or hold the graded instrument; it does not comment on the issue price, future market price or suitability for a particular investor.

CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of CRISIL IPO gradings. For information on any IPO grading assigned by CRISIL, please contact 'Client Servicing' at +91-22-33423561, or via email: clientservicing@crisil.com.

For more information on CRISIL IPO gradings, please visit http://www.crisil.com/ipo-gradings