Draft Prospectus
Dated: September 30, 2015
Please read Section 32 of Companies Act, 2013
Fixed Price Offer

AJMERA PHARMASURE LIMITED

CIN: U51109MH1990PLC056421

Our Company was incorporated as Ajmera Trading and Impex Private Limited on May 04, 1990 under the Companies Act, 1956 bearing Registration No. 056421 of 1990 and having its Registered Office in Mumbai, Maharashtra. For further details pertaining to the change of name of our Company and the change in Registered Office, please refer the chapter "*History and Certain Corporate Matters*" on page no. 114 of this Draft Prospectus.

Registered Office: 63/67, Carmellos Building, 4th Floor, PathakWadi Road, Mumbai – 400 002
Tel No.: +91 – 22 – 40628888; **Fax No.:** +91 – 22 – 40628989; **Email**: apl_ipo@ajmera.co.in; **Website:** www.ajmera.co.in/pharmasure
Contact Person: Mr. Jasmin Ajmera, MD & CFO.
Our Promoters: Mr. Jasmin Ajmera, Mr. Manish Ajmera, Mrs. Avani Ajmera, Mr. Harsh Ajmera, Jasmin K. Ajmera (HUF) and Manish K. Ajmera (HUF)

THE OFFER

PUBLIC OFFER OF 15,04,000 EQUITY SHARES OF ₹ 10/- EACH ("EQUITY SHARES") OF AJMERA PHARMASURE LIMITED ("APL" OR THE "COMPANY") FOR CASH AT A PRICE OF ₹ 85/- PER SHARE (THE "OFFER PRICE"), THROUGH AN OFFER FOR SALE BY THE SELLING SHAREHOLDERS (AS DEFINED IN THE SECTION "DEFINITIONS AND ABBREVIATIONS") AGGREGATING TO ₹ 1,278.40 LAKHS ("THE OFFER"), OF WHICH, 80,000 EQUITY SHARES OF ₹ 10/- EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKERS TO THE OFFER (THE "MARKET MAKER RESERVATION PORTION"). THE OFFER LESS MARKET MAKER RESERVATION PORTION I.E. OFFER OF 14,24,000 EQUITY SHARES OF ₹ 10/- EACH IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER WILL CONSTITUTE 27.18% AND 25.73%, RESPECTIVELY OF THE POST OFFER PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.

THIS OFFER IS BEING MADE IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS, 2009 AS AMENDED FROM TIME TO TIME.

For further details please refer "Offer Related Information" beginning on page no. 228 of this Draft Prospectus.

All potential investors may participate in the Offer through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Offer Procedure" on page no. 234 of this Draft Prospectus. In case of delay, 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.

RISK IN RELATION TO THE FIRST OFFER

This being the first public offer of the Company, there has been no formal market for the securities of the company. The face value of the shares is ₹ 10/- per Equity Share and the Offer Price is 8.50 times of the face value. The Offer Price (as determined by Company in consultation with the Lead Manager) as stated under the paragraph on "*Basis for Offer Price*" on page no. 64 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the equity shares of our company or regarding the price at which the shares will be traded after listing.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this offer 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 offering. For taking an investment decision investors must rely on their own examination of our Company and the offer including the risks involved. The securities have not been recommended or approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this document. **Specific attention of the Investors is invited to the statement of Risk Factors given on page no. 9 of this Draft Prospectus under the Section "Risk Factors".**

COMPANY'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Each Selling Shareholder, severally and not jointly, assumes responsibility only for statements in relation to such Selling Shareholder included in this Draft Prospectus.

LISTING

The Equity Shares offered through this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited ("BSE"). In terms of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended, we are not required to obtain any in principle listing approval for the shares being offered in this Offer. However, our Company has received an in-principle approval letter dated **[●]** from BSE for using its name in the Offer Document for listing our shares on the SME Platform of the BSE. For the purpose of this Offer, the Designated Stock Exchange will be the BSE Limited ("BSE").

LEAD MANAGER	REGISTRAR TO THIS OFFER
ARYAMAN FINANCIAL SERVICES LIMITED 60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg, Fort, Mumbai – 400 001 Tel No.: +91 – 22 – 2261 8264 / 8635 Fax No.: +91 – 22 – 2263 0434 Email: info@afsl.co.in Web: www.afsl.co.in Contact Person: Mr. Pranav Nagar / Mr. Shreyas Shah SEBI Registration No. INM000011344	**KARVY COMPUTERSHARE PRIVATE LIMITED** Karvy Selenium, Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032, India Toll Free No.: 1800 3454 001 Tel No.: +91 – 40 – 6716 2222 Fax No.: +91 – 40 – 2343 1551 Email: ajmera.ipo@karvy.com Website: https://karisma.karvy.com Contact Person: Mr. M. Murali Krishna SEBI Registration No.: INR000000221
OFFER OPENS ON	**OFFER CLOSES ON**
[●]	**[●]**

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

General Terms

Term	Description
Ajmera Pharmasure Limited / APL / The Company / Company / We / Us / Our Company	Unless the context otherwise indicates or implies refers to Ajmera Pharmasure Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 with its registered office in the Mumbai, Maharashtra.

Company related Terms

Term	Description
Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of Ajmera Pharmasure Limited
Auditor of the Company (Statutory Auditor)	Rahul Jimulia & Associates, Chartered Accountants, having their office at D-15, Ratnadeep Building, 60 Feet Road, Bhayandar(W), Thane – 401 101
Audit Committee	The Audit Committee constituted by our Board of Directors on July 17, 2015
Board of Directors / Board	The Board of Directors of Ajmera Pharmasure Limited, including all duly constituted Committees thereof.
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
Companies Act, 1956	The Companies Act, 1956, as amended from time to time
Companies Act, 2013	The Companies Act, 2013 published on August 29, 2013 and applicable to the extent notified by MCA till date.
Depositories Act	The Depositories Act, 1996, as amended from time to time
Director(s)	Director(s) of Ajmera Pharmasure Limited, unless otherwise specified
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10 each unless otherwise specified in the context thereof
Group Companies	All companies or ventures which would be termed as Group Companies as per the definition given in Schedule VIII of SEBI ICDR Regulations, 2009. For details of Group Companies of the Company, please refer the chapter titled "*Our Group Entities*" beginning on page no. 137 of this Draft Prospectus
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
Peer Review Auditor (Peer Review Certified)	M/s. V. N. Purohit & Co., Chartered Accountants
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Ajmera Pharmasure Limited
Non Residents	A person resident outside India, as defined under FEMA.
NRIs / Non Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoter / Core Promoter(s)	Mr. Jasmin Ajmera; Mr. Manish Ajmera; Mrs. Avani Ajmera; Mr. Harsh Ajmera; Jasmin Ajmera HUF and Manish Ajmera HUF
Promoter Group	Promoter Group consist of Individuals, HUFs, Companies, Firms, etc. as mentioned in the chapter titled "*Our Promoter and Promoter Group*" beginning on page no. 130 of this Draft Prospectus.

Term	Description
Registered Office	The Registered Office of our company which is located at: 63/67, Carmellos Building, 4th Floor, Pathak Wadi Road, Mumbai – 400 002
RoC	Registrar of Companies, Mumbai
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997 and 2011, as amended from time to time depending on the context of the matter being referred to.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
Stock Exchange	Unless the context requires otherwise, refers to, the BSE Limited.

Offer related Terms

Term	Description
Allotment	The transfer of the Equity Shares pursuant to the Offer to the successful applicants
Allottee	The successful applicant to whom the Equity Shares are being / have been allotted.
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Draft Prospectus
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of the Company
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an Application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB. ASBA is mandatory for QIBs (except Anchor Investors) and Non-Institutional Applicants participating in the Offer
ASBA Account	Account maintained by an ASBA Applicant with a SCSB which will be blocked by such SCSB to the extent of the Application Amount of the ASBA Applicant
ASBA Applicant(s)	Prospective investors in this Offer who apply through the ASBA process. Pursuant to SEBI circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, Non- Retail Investors i.e. QIBs and Non-Institutional Investors participating in this Offer are required to mandatorily use the ASBA facility to submit their Applications.
Banker(s) to the Company	HDFC Bank and [•]
Banker(s) to the Offer/ Escrow Collection Bank(s)	The banks which are Clearing Members and registered with SEBI as Banker to an Offer with whom the Escrow Account(s) will be opened and in this case being [•] and [•]
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Offer and which is described in the chapter titled "*Offer Procedure*" beginning on page no. 234 of this Draft Prospectus.
Business Day	Monday to Friday (except public holidays)
BSE	BSE Limited
Category III FPI	Investors including endowments, charitable societies, charitable trusts, foundations, corporate bodies, trust, individuals and family offices which are not eligible for registration under Category I and II under the SEBI (Foreign Portfolio Investors) Regulations, 2014.
CAN / Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Controlling Branches	Such Branches of the SCSBs which co-ordinate Bids by the ASBA Bidders with the Registrar to the Offer and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.
Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996 i.e. CDSL and NSDL
Depository Participant / DP	A Depository Participant as defined under the Depositories Act, 1996
Designated Branches	Such Branches of the SCSBs which shall collect the Application Forms used by the Applicants applying through the ASBA process and a list of which is available on http://www.sebi.gov.in/pmd/scsb.pdf

Term	Description
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the Board of Directors shall allot Equity Shares to successful Applicants in the Offer.
Designated Market Maker	Aryaman Capital Markets Limited (formerly known as Aryaman Broking Limited)
Designated Stock Exchange	SME Exchange of BSE Limited
Eligible NRIs	An NRI from such a jurisdiction outside India where it is not unlawful to make an offer or invitation under this Offer and in relation to whom the Draft Prospectus constitutes an invitation to Application on the basis of the terms thereof.
Equity Shares	Equity shares of our Company of ₹ 10 each
Escrow Account	Account opened/to be opened with the Escrow Collection Bank(s) and in whose favour the Applicant (excluding the ASBA Applicant) will issue cheques or drafts in respect of the Application Amount when submitting an Application
Escrow Agreement	Agreement entered / to be entered into amongst the Company, Lead Manager, the Registrar, the Escrow Collection Bank(s) for collection of the Application Amounts and for remitting refunds (if any) of the amounts collected to the Applicants (excluding the ASBA Applicants) on the terms and condition thereof
Escrow Collection Bank(s)	The banks which are clearing members and registered with SEBI as Bankers to the Offer at which bank(s) the Escrow Account of the Company will be opened
Foreign Portfolio Investor / FPIs	Foreign Portfolio Investor as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014.
Offer / Offer Size / Public Offer	The Public Offer of 15,04,000 Equity Shares of ₹ 10 each at ₹ 85 (including share premium of ₹ 75) per Equity Share aggregating to ₹ 1,278.40.00 lakhs by Ajmera Pharmasure Limited.
Offer Closing date	The date on which the Offer closes for subscription being [•]
Offer Opening date	The date on which the Offer opens for subscription being [•]
Offer Price	The price at which the Equity Shares are being offered under this Draft Prospectus; the same being ₹ 85.
Offer Proceeds	The proceeds of the Offer as stipulated by the Company and Selling Shareholders. For further information about use of the Offer Proceeds please refer the chapter titled "*Objects of the Offer*" beginning on page no. 62 of this Draft Prospectus
LM / Lead Manager	Lead Manager to the Offer, in this case being Aryaman Financial Services Limited.
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our company and the SME Platform of BSE.
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended
Non-Institutional Applicant	All Applicants, including Eligible QFIs, sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals, that are not QIBs or Retail Individual Applicants and who have applied for Equity Shares for an amount of more than ₹ 2,00,000 (but not including NRIs other than Eligible NRIs)
Net Offer	The Offer of 14,24,000 Equity Shares of ₹ 10 each at ₹ 85 (including share premium of ₹ 75) per Equity Share aggregating to ₹ 1,210.40 lakhs by Ajmera Pharmasure Limited.
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI
Prospectus	The Prospectus, filed with the RoC containing, inter alia, the Offer opening and closing dates and other information.
Public Offer Account	Account opened with Bankers to the Offer for the purpose of transfer of monies from the Escrow Account on or after the Offer Opening Date
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI
Qualified Institutional Buyers / QIBs	Public financial institutions as defined in Section 2(72) of the Companies Act, 2013, Foreign Portfolio Investor other than Category III Foreign Portfolio Investor, AIFs, VCFs, FVCIs, Mutual Funds, multilateral and bilateral financial institutions, scheduled commercial banks, state industrial development corporations, insurance companies registered with the IRDA, provident funds and pension funds with a minimum corpus of ₹

Term	Description
	250 million, insurance funds set up and managed by the army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, Government of India, eligible for Bidding and does not include FVCIs and multilateral and bilateral institutions.
Refund Account	Account opened / to be opened with a SEBI Registered Banker to the Offer from which the refunds of the whole or part of the Application Amount (excluding to the ASBA Applicants), if any, shall be made.
Refund Banker	The bank(s) which is/ are clearing members and registered with the SEBI as Bankers to the Offer, at which the Refund Accounts will be opened, in this case being [●].
Refunds through electronic transfer of funds	Refunds through electronic transfer of funds means refunds through ECS, Direct Credit or RTGS or NEFT or the ASBA process, as applicable.
Registrar/ Registrar to the Offer	Registrar to the Offer being Karvy Computershare Private Limited
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI Regulation / SEBI (ICDR) Regulations / Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI on August 26, 2009, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI (PFUTP) Regulations / PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003.
SEBI SAST / SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 or SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as the case may be.
Self Certified Syndicate Bank(s) / SCSBs	A Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at http://www.sebi.gov.in/pmd/scsb.pdf
Selling Shareholders	Richie Rich Resorts Pvt. Ltd., Mr. Manish Ajmera, Mrs. Minal Ajmera, Mr. Ashish Ajmera, Mr. Alpesh Ajmera, Mr. Jiten Ajmera, Kishore H. Ajmera (HUF), Mr. Nitin P. Ajmera
SME Platform of BSE	The SME Platform of BSE for listing of equity shares offered under Chapter X-B of the SEBI (ICDR) Regulations which was approved by SEBI as an SME Exchange on September 27, 2011.
TRS / Transaction Registration Slip	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application.
Underwriters	Aryaman Financial Services Limited and Aryaman Capital Markets Limited.
Underwriting Agreement	The Agreement among the Underwriters and our Company dated September 21, 2015.
U.S. Securities Act	U.S. Securities Act of 1933, as amended

Technical / Industry related Terms

Term	Description
° C	Degree Celsius
AIOCD	All Indian Origin Chemists & Distributors
APIs	Active Pharmaceutical Ingredients
BP	British Pharmacopeia
CAGR	Compound Annual Growth Rate
CPI	Consumer Price Index
CSO	Central Statistics Office
DG Sets	Diesel Generating Sets
Excipients	An inert substance added to a drug to give suitable consistency or form to the drug
F.Y.	Financial Year
FCC	Food Chemicals Codex

FDA	US Food and Drug Administration
FFF	Furniture-Fixture-Fittings
GDP	Gross Domestic Product
GFD	Gross Fiscal Deficit
GIDC	Gujarat Industrial Development Corporation
GMP	Good Manufacturing Practices
H_2SO_4	Sulphuric Acid
HDPE	High Density Poly Ethylene
IP	Indian Pharmacopeia
IPC	Indian Pharmacopoeia Commission
Kgs	Kilograms
Km	Kilometre
KW	Kilowatt
MIDC	Maharashtra Industrial Development Corporation
MPCB	Maharashtra Pollution Control Board
MPR	Monetary Policy Report
MSFC	Maharashtra State Finance Corporation
NH-3	National Highway-3
NSAIDs	Non Steroidal Anti – Inflammatory Drugs
Oncology	The study and treatment of tumours
PH	Power of Hydrogen which is used as a measurement of the hydrogen ion concentration
Pulverise	Reduce / Crush to fine particles.
PVC	Polyvinyl chloride
PVP K-30	Polyvinylpyrrolidone- K30- A widely used excipient
R&D	Research and Development
Sift	To put through a sieve in order to separate the fine from the coarse particles.
Sq. ft.	Square Foot
Sq. Mtrs.	Square Meters
USP	United States Pharmacopeia
WTI	West Texas Intermediate

Conventional Terms / General Terms / Abbreviations

Term	Description
A/c	Account
ACS	Associate Company Secretary
AEs	Advanced Economies
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
CAD	Current Account Deficit
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Company Identification Number
CIT	Commissioner of Income Tax
DIN	Director Identification Number
DP	Depository Participant
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EMDEs	Emerging Market and Developing Economies
EPS	Earnings Per Share
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under

Term	Description
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GoI/Government	Government of India
HUF	Hindu Undivided Family
I.T. Act	Income Tax Act, 1961, as amended from time to time
ICSI	Institute of Company Secretaries Of India
IPO	Initial Public Offering
KM / Km / km	Kilo Meter
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value
NRE Account	Non Resident External Account
NRIs	Non Resident Indians
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PLR	Prime Lending Rate
MPCB	Maharashtra Pollution Control Board
MSEB	
RBI	The Reserve Bank of India
ROE	Return on Equity
RONW	Return on Net Worth
Rs. or ₹	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
Sec.	Section
STT	Securities Transaction Tax
TIN	Taxpayers Identification Number
US/United States	United States of America
USD/ US$/ $	United States Dollar, the official currency of the Unites States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Working Days	All days other than a Sunday or a public holiday (except during the Offer Period where a working day means all days other than a Saturday, Sunday and any public holiday), on which commercial bank are open for business.

CERTAIN CONVENTIONS; PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references to "India" contained in this Draft Prospectus are to the Republic of India. In this Draft Prospectus, our Company has presented numerical information in "lakhs" units. One lac represents 1,00,000.

Financial Data

Unless stated otherwise, the financial data in this Draft Prospectus is derived from our audited financial statements as on and for the Fiscal Years ended March 31, 2015, 2014, 2013, 2012 and 2011 prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations and included in this Draft Prospectus. Our Fiscal Year commences on April 1 and ends on March 31 of the following year. In this Draft Prospectus, any discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, U.S. GAAP and IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, the Companies Act and the SEBI Regulations on the financial disclosures presented in this Draft Prospectus should accordingly be limited. We have not attempted to explain the differences between Indian GAAP, U.S. GAAP and IFRS or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in the section titled "*Risk Factors*", chapters titled "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page nos. 9, 89 and 189 of this Draft Prospectus, respectively, and elsewhere in this Draft Prospectus, unless otherwise indicated, have been calculated on the basis of our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations.

Currency, Units of Presentation and Exchange Rates

All references to "Rupees", "Rs." or "₹" are to Indian Rupees, the official currency of the Republic of India. All references to "US$" or "US Dollars" or "USD" are to United States Dollars, the official currency of the United States of America.

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

Definitions

For definitions, please refer the Chapter titled "*Definitions and Abbreviations*" on page no. 1 of this Draft Prospectus. In the Section titled "*Main Provisions of the Articles of Association of our Company*" beginning on page no. 257 of this Draft Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

Industry and Market Data

Unless stated otherwise, the industry and market data and forecasts used throughout this Draft Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

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

FORWARD-LOOKING STATEMENTS

All statements contained in this Draft 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 with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Draft Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by the use of terminology such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “may”, “will”, “will continue”, “will pursue”, “contemplate”, “future”, “goal”, “propose”, “will likely result”, “will seek to” or other words or phrases of similar import. All forward looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Further the 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 Pharmaceutical and Chemical trading industry in India and overseas 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 overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility 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, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- ✓ Our ability to manage our growth effectively;
- ✓ Our ability to develop, maintain or enhance our brand recognition;
- ✓ Our ability to retain the services of our senior management, key managerial personnel and capable employees;
- ✓ Our ability to renew rents for our Properties used for business activities or conduct new rent arrangements on commercially acceptable terms;
- ✓ Our ability to adequately protect / obtain trademarks;
- ✓ Changes in consumer demand;
- ✓ Failure to successfully upgrade our products and service portfolio, from time to time; and
- ✓ Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner

For further discussions of factors that could cause our actual results to differ, please refer the section titled “*Risk Factors*”, chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos. 9, 89, and 189 of this Draft Prospectus, respectively.

By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Forward-looking statements speak only as of this Draft Prospectus. Our Company, our Directors, the Lead Manager, and their respective affiliates or associates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI requirements, our Company and the Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading approvals by the Stock Exchange.

SECTION II: RISK FACTORS

An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this Draft Prospectus, including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment. In addition, the risks set out in this Draft Prospectus are not exhaustive. Additional risks and uncertainties, whether known or unknown, may in the future have material adverse effect on our business, financial condition and results of operations, or which we currently deem immaterial, may arise or become material in the future. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with the sections entitled "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page nos. 89 and 189 of this Draft Prospectus respectively as well as other financial and statistical information contained in this Draft 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 risks mentioned herein.

This Draft Prospectus also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including events described below and elsewhere in this Draft Prospectus. Unless otherwise stated, the financial information used in this section is derived from and should be read in conjunction with restated financial information of our Company prepared in accordance with the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, including the schedules, annexure and notes thereto.

Materiality

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

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

Internal Risk Factors

1. ***If we are not able to obtain, renew or maintain the statutory and regulatory permits and approvals required to operate our business it may have a material adverse effect on our business.***

   We require certain statutory and regulatory permits and approvals to operate our existing and proposed business. For more information on the status of our material statutory and regulatory permits, please refer to the Chapter titled "*Government and Other Key Approvals*" beginning on page no. 212 of this Red Herring Prospectus. We are required to renew certain permits and approvals and obtain new permits if we increase the scope of our business. Following is the list of important approvals and sanctions that we do not have as on the date of this Draft Prospectus:

   - License under 20B, and 21B to sell drugs other than those specified in Schedule C, C(1) and X and/or drugs specified in Schedule C, C(1), excluding those specified in Schedule X under Drugs and Cosmetics Rules, 1945 for the Company's premises located at Gala No. 1 and 2, Building No. K-2, Munisuvrat Complex, Phase II, Rahnal Village, Taluka Bhiwandi, District – Thane. The company has already made application for the same.

   - Registration Certificate of Establishment under Maharashtra Shops and Establishments Act, 1948 for Company's premises located at Gala No. 1 and 2, Building No. K-2, Munisuvrat Complex, Phase II, Rahnal Village, Taluka Bhiwandi, District – Thane. The company is currently in the process of determining applicability of these licenses and hence making necessary applications for the same.

* Registration Certificate of Establishment under Madhya Pradesh Shops and Establishments Act, 1958 for the Company's premises located at 22/3/2, S.D.A. Compound, Lasudia Mori, Dewas Naka, Indore, Madhya Pradesh. The company is currently in the process of determining applicability of these licenses and hence making necessary applications for the same.

In addition to the above, there are certain approvals and licenses which need to be renewed by us due to our change in constitution from Pvt. to Public Limited. While we believe that we will be able to renew or obtain the required permits and approvals as and when required; here can be no assurance that the relevant authorities will issue any or all requisite permits or approvals in the timeframe anticipated by us, or at all. Failure by us to renew, maintain or obtain the required permits or approvals may result in the interruption of our operations or delay or prevent our expansion plans, if any and may have a material adverse effect on our business, financial condition and results of operations.

2. ***We operate in the pharmaceutical API industry which is a highly regulated sector and if we fail to comply with the regulations prescribed by the authorities of the jurisdictions in which we operate, our business, results of operations, cash flows and financial condition could be adversely affected.***

Our operations of API trading business and our subsidiary's operations of bulk drugs manufacturing are operated in a highly regulated sector and are subject to extensive regulations and stringent quality standards. We are required to obtain specific registration from the Food and Drug Administration (FDA) for the sale and manufacture of specific active pharmaceutical ingredients / bulk drugs. The registration requires our Company to comply with all provisions of the various acts enforceable by the FDA, most of which are stringent and they may continue to be stricter in the future. The penalties for non-compliance with these regulations can vary from revocation or suspension of the registration to imposition of fines or confiscation of the APIs manufactured, stored or sold.

Further, we also intend to set up another manufacturing unit for manufacture of APIs other than those already manufactured. We will be required to obtain the FDA approval for all the new products proposed to be manufactured. We cannot guarantee that we will obtain such approvals. Also, we may not be able to renew our existing FDA approval upon expiry of the same. Any delay or inability to obtain, renew the FDA approval may render our ability to carry on with our business activities.

Further, we are subject to additional risks in relation to complying with a wide variety of local laws, including restrictions on the import and export of certain chemicals and ingredients. Additionally, regulatory and procedural requirements are subject to change and as a result, may, at times, be unclear or inconsistent. Consequently, there is an increased risk that we may inadvertently fail to comply with such regulations or procedures, which could lead to a variety of sanctions being imposed by the relevant authorities, as well as withholding or delay in receipt of regulatory approvals for the existing as well as proposed APIs. Further, any adverse change in the regulatory environment in the future may subject us to increased obligations and may adversely affect our business, cash flows and results of operations.

3. ***Inventories and trade receivables form a major part of our current assets and net worth. Failure to manage our inventory and trade receivables could have an adverse effect on our net sales, profitability, cash flow and liquidity.***

We are in the business of trading of pharmaceutical APIs and also manufacturing of bulk drugs (through our subsidiary). Our Company's business is working capital intensive and hence, inventories and trade receivables form a major part of our current assets and net worth. The results of operations of our business are dependent on our ability to effectively manage our inventory (traded goods, raw materials and finished goods) and trade receivables.

To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and purchase new inventory accordingly. However, if our management misjudges expected customer demand, it could cause either a shortage of products or an accumulation of excess inventory. Further, if we fail to sell the inventory we purchase or manufacture, we may be required to write-down our inventory or pay our suppliers without new purchases, or create additional vendor financing, all of which could have an adverse impact on our income and cash flows.

To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and dealers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if our management fails to accurately evaluate the credit worthiness of our customers, it may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. A liquidity crunch may also result in increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

4. ***We have not entered into any long-term agreements with our suppliers for traded goods and raw materials and accordingly may face disruptions in supply from our current suppliers***

We have dealership for procuring the traded goods from various companies for different types of APIs. However, these dealerships are on an Oral agreement basis and no specific agreement / MoU have been entered into between our Company and our supplier and we typically transact on an invoice basis for each order. These suppliers have accorded these dealerships based on trust, service and the ready finance provided by us. In the absence of written agreements, our suppliers can withdraw their oral dealership from us at any time. There can be no assurance that there will not be a significant disruption in the supply of these traded goods from current sources, including our agencies, or, in the event of a disruption, that we would be able to locate alternative suppliers of the goods of comparable quality on terms acceptable to us, or at all. Identifying a suitable supplier involves a process that requires us to become satisfied with their quality control, consistency, responsiveness and service, financial stability and other ethical practices.

Further, our subsidiary also does not have any long term contracts for the raw materials required for manufacture of APIs and thus cannot assure that our raw material supply will not face disruption leading to either disruption in our subsidiary’s manufacturing activity or a complete stopping of the same. Certain raw materials may be of a sensitive nature and their supply may be regulated by various government / regulatory authority. If we are unable to maintain our relationship with our current raw material suppliers it may prove difficult to obtain the same from other regulated players.

Any delay, interruption or increased cost in the supply of APIs or raw materials thereof pertaining to our products arising from a lack of long-term contracts could have an adverse effect on our ability to meet customer demand for our products and result in lower revenue from operations both in the short and long term.

5. ***Our Company has not entered into any long-term contracts with any of its customers and we typically operate on the basis of orders. Inability to maintain regular order flow would adversely impact our revenues and profitability***

Our Company has had long standing business relationships with certain customers and has been supplying our products to such customers, including overseas customers, for several years. However, we have not entered into any specific contracts with these customers and we cater to them on an order-by-order basis. As a result, our customers can terminate their relationships with us without any notice and, without consequence, which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in demand for our products. Our Company's customers have no obligation to place order with us and may either cancel, reduce or delay orders. The orders placed by our Company's customers are dependent on factors such as the customer satisfaction with the level of consistency of the APIs and chemicals that our Company supplies, fluctuation in demand for generic and high end APIs and customer’s inventory management.

Although we place a strong emphasis on quality, timely delivery of our products and prompt availability of a variety range of APIs and chemicals, in the absence of contracts, any sudden change in the buying pattern of buyers could adversely affect the business and the profitability of our Company.

6. ***We depend on a limited number of customers for a significant portion of our revenues. The loss of a major customer or significant reduction in production and sales of, or demand for our products from, our major customers may adversely affect our business, financial condition, results of operations and prospects.***

A significant majority of our income from operations is from sales of APIs in the domestic market and a small amount of revenue from export trade of formulations. We depend on a limited number of customers for a significant portion of our revenues. Revenue from our top 10 customers constituted 51.19%, 43.72% and 33.76%, of our income from operations for fiscal 2013, 2014 and 2015, respectively. Demand for our traded products is related to various factors such as easy availability of finance, demand of specific formulations and the quality of APIs supplied by us. Further, with the advancement of medical science, various new formulations are invested and we always run the risk of trading APIs that are no longer required in common formulations. This may result in our customers opting for other API suppliers. Any loss of client base, out of our existing clients, will impact our overall sales, resulting in a sharp decline in our revenues. Further, we face immense competition from other API suppliers and manufacturers, organised as well as unorganised, which may result in some of our customers reducing their orders to us. Any reduction in orders from our existing clients may result in a decline in our revenues.

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

7. ***The income-tax authorities have carried out search and seizure operations in the premises of our Group and subsequently our company, some of our directors, promoters and group companies has been issued notices to re-file their returns for the periods pertaining to AY 2008-09 to 2013-14. These years' incomes are being reassessed and any adverse liability assessed for these periods in the future may substantially affect our business operations, results of operations and financial conditions.***

   During July 2013, we amongst others were subjected to a search and seizure proceedings by the Income Tax Department. After the formalities of the search and seizure operations were concluded, the Income Tax department has sent notices u/s 153(1) of the Income Tax Act, 1961 to various entities of the Ajmera Family including but not limited to our company, some of our directors and promoters – namely Jasmin Ajmera, Manish Ajmera, Minal Ajmera, Harsh Ajmera and Avani Ajmera, and some of our group companies namely – Ajmera Associates Ltd. and International Financial Services Limited asking all these entities to re-file their income tax returns for re-assessment of all years from AY 2008-09 to 2013-14.

   All these entities' incomes are being re-assessed by the department. No orders for income tax recoveries etc. have been passed by the department as on date of this Draft Prospectus, however, if any liability is ascertained in the future, there may be a substantial adverse effect on our company and all other entities involved in this reassessment procedure.

8. ***We have availed of certain loans from Banks, pursuant to the Financing Agreements that we have entered into with them. Pursuant to the terms of such agreements, we require consents from the respective Bankers for a number of corporate actions, including for undertaking this Offer, some of which have not been obtained as on date. Any failure to obtain such consents may result in a default under the terms of the Financing Agreements.***

   Pursuant to the Financing Agreements entered into by us with the Bankers, we are required to obtain consents from the respective Bankers to undertake certain actions, including this Offer and for completion of the requirements pertaining to this Offer. Though, we have informed both our bankers orally of our intention to undertake this Offer, and received the relevant consent from HDFC Bank Ltd., as on date, we have not obtained consents from one of our banker, i.e. Union Bank of India ("UBI") for undertaking this Offer, and the same is awaited.

   While our Company intends to obtain all the necessary consents in relation to this Offer from UBI prior to the filing of the Prospectus with the RoC, undertaking this Offer without obtaining UBI's consents, or in contravention of any conditions contained in such contents, may constitute a breach of the Financing Agreements. Any default under the Financing Agreements may enable UBI to cancel any outstanding commitments, accelerate the repayment and enforce their security interests. If our obligations under the Financing Agreements are accelerated, our financial condition and operations could materially and adversely be affected.

9. ***Our major revenues are derived from sales made in the State of Maharashtra in India. Our growth strategy to expand into new geographic areas poses risks. We may not be able to successfully manage some or all of such risks, which may have a material adverse effect on our revenues, profits and financial condition.***

   Our operations have been geographically concentrated in the State of Maharashtra. Our business is therefore significantly dependent on the general economic condition and activity in the State in which we operate along with the Central, State and Local Government policies relating to pharmaceutical industry. Although investment in the pharmaceutical industry in the areas in which we operate has been encouraged, there can be no assurance that this will continue. We may expand geographically, and may not gain acceptance or be able to take advantage of any expansion opportunities outside our current markets. This may place us at a competitive disadvantage and limit our growth opportunities. We may face additional risks if we undertake operations in other geographic areas in which we do not possess the same level of familiarity as competitors. For example, our endeavour in previous years for supply of our goods to manufacturers in Nigeria etc. did not yield the desired results and hence we have stopped our sales from the current year. If we undertake operations in different geographical locations than those currently is; we may be affected by various factors, including but not limited to:

- Adjusting our products to the new geographic area;
- Ascertaining the creditworthiness of the buyer and maintain credit terms with the same;
- Obtaining necessary Government and other approvals in time or at all;
- Failure to realize expected synergies and cost savings;
- Attracting potential customers in a market in which we do not have significant experience; and
- Cost of hiring new employees and absorbing increased costs.

10. *We sell our products in highly competitive markets and our inability to compete effectively may lead to lower market share or reduced operating margins, and adversely affect our results of operations.*

India is our primary market and we face competition in our business from local as well as nationwide suppliers and wholesalers of APIs. The products that we sell are of a commodity nature, i.e. there are a large number of players manufacturing same or similar products. Thus, competition in these markets is based primarily on demand and price. As a result, to remain competitive in our market, we must continuously strive to reduce our procurement, transportation and distribution costs, improve our operating efficiencies and secure our materials requirements. If we fail to do so, other suppliers and wholesalers or manufacturers of similar products may be able to sell their products at prices lower than our prices, which would have an adverse effect on our market share and results of operations. Increased consolidation in the pharmaceutical industry means that many of our competitors may benefit from greater economies of scale, including the ability to negotiate preferential prices for products or receive discounted prices for bulk purchases of goods that may not be available to us.

Further, we cannot assure you that our current or potential competitors will not offer products comparable or superior to our products. Failure to match our product quality and consistency accordingly might have an adverse effect on our operations and financial results.

11. *We constantly face a credit risk which may in turn affect our complete buying cycle adversely.*

As a trading Company, our primary competence is the ability to provide various kinds of APIs readily available to formulators or other API manufacturers and hence exploit the benefits of variety, economies of scale and credit shortage in the pharmaceutical trade. Our requirement of working capital is high mainly due to our ability to outright purchase and store huge amount of manufacturer's stock, thus relieving the manufacturer of its cost and storage issue. This stock is then gradually consumed by our customers as per their requirements. In order to maintain trading relations and manage competition, we provide long term credit facilities to our customers. Our Debtors turnover period is an average 65-85 days while our Creditors turnover period ranges in 5-10 days leading to a high working capital gap.

Our aforementioned buying cycle is heavily dependent on timely payments being received from our customers. If there is a default in payment from any of our customers or there is any unforeseeable delay is payment, our working capital cycle will be adversely affected. This may lead to our inability to maintain our inventories and thus lack the competitive advantage against various other API traders leading to an adverse effect on our business operations and profitability.

12. *Our Subsidiary's cost of production of APIs is exposed to fluctuations in the prices of raw materials like ferrous sulphate, ammonia, maleic acid, bromine, iodine, etc. as well as its availability*

Our subsidiary company, Ajmera Organics Pvt. Ltd. is exposed to fluctuations in the prices of various raw materials like maleic solution, ferrous sulphate, ammonia, bromine, iodine, etc. as well as its availability, particularly as we typically do not enter into any supply agreements with our suppliers and all the above mentioned raw materials are bought by our Company from various suppliers on a order to order basis. For instance, the prices of ferrous sulphate, used to manufacture ferrous fumarate, are subject to, in turn, fluctuations in the prices of iron scrap, ferrous ash and various acids like sulphuric acid. Further, as many of the raw materials our subsidiary procures from our suppliers are manufactured from materials procured from international markets, the price of these goods is also subject to fluctuations in foreign exchange rates. The average price of ferrous sulphate in fiscal 2015, fiscal 2014 and fiscal 2013 were approximately ₹ 7.50, ₹ 9.00 and ₹ 9.00, per kg, respectively. The average prices of maleic solution in fiscal 2015, fiscal 2014 and fiscal 2013 were approximately ₹ 14.00, ₹ 14.00 and ₹ 18.00, per kg, respectively. We may be unable to make adequate provisions for the price fluctuations and, consequently, any adverse fluctuations that we have not factored in or provided for may adversely affect the consolidated results of our operations and our consolidated financial conditions.

We also face the risks associated with compensating for or passing on such increase in our cost of production on account of such fluctuations in prices to our customers. Particularly, we face the risk of our competitors being able to sell the products at lower rates than ours due to their economies of scales, if we pass on the increase in the cost of production to our customers through a corresponding increase in the price of our products in order to maintain our historical margins. Upward fluctuations in the prices of the various raw materials may thereby affect our margins and profitability, resulting in a material adverse effect on our overall business, consolidated financial condition and results of operations. For further details of various raw materials required and their procurement, see "*Our Business*" on page no. 89 of this Draft Prospectus.

13. ***Our Company has reported certain negative cash flows from its operating activity, investing activity and financing activity, details of which are given below. Sustained negative cash flow could impact our growth and business***

Our Company had reported certain negative cash flows from our operating activities, investing activities and financing activities in the previous years as per the restated financial statements and the same are summarised as under:

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Cash flow from Operating Activities	166.10	(391.47)	94.38	150.08	356.77
Cash flow from Investing Activities	114.70	334.74	(611.70)	17.00	(37.50)
Cash flow from Financing Activities	(315.77)	20.40	586.06	(177.00)	(349.31)

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

14. ***Our Company has entered into certain related party transactions and may continue to do so in the future***

Our Company has entered into related party transactions with our Promoters, Directors and the Promoter Group aggregating ₹ 224.35 lakhs for the last financial year ended March 31, 2015. While our Company believes that all such transactions have been conducted on the arms length basis, there can be no assurance that it could not have been achieved on more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that our Company will enter into related party transactions in the future. 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 operation. For details, please refer to "*Annexure XIX - Related Party Transactions*" under section titled "*Financial Statements*" on page no. 147 of this Draft Prospectus.

15. ***Our business is heavily dependent on our suppliers.***

We do not manufacture any of the products that we trade in. As a trader of APIs and chemicals, our business is heavily depended on the products manufactured by various API manufacturers. We have obtained exclusive dealership for sale of APIs for certain companies which, though gives us an added advantage over our competitors, limits our procurement freedom. We are required to rely heavily on a few suppliers and the quality of products supplied by them. Since we do not manufacture any product ourselves, nor have any substantial marketing or branding requirements for business, we are reliant on our suppliers for all these aspects. Our sales and profitability would be adversely affected in case of any management inabilities or errors on part of our suppliers.

Following are some of the important factors about our business which we do not directly have control over and are dependent on our suppliers:

- ✓ Introduction of new products and its variants
- ✓ Marketing of these products on a large scale and overall branding in the state of Maharashtra & Madhya Pradesh
- ✓ Errors or rollbacks in sold products creating negative goodwill and consumer litigations
- ✓ Cost competiveness of these products.

- ✓ Supplier side logistics which in turn affect our delivery levels to clients
- ✓ Quality consistency and FDA approval status of the APIs in future

Further, being a trading Company concentrating in mainly in the State of Maharashtra and Madhya Pradesh, we face the risk of our suppliers' reducing their focus in these states due to competitive pressures and other internal management decisions and hence we may not receive the necessary support from our supplier companies. Also, we face the risk of the management of our supplier companies collaborating with some other trader and thus reducing our share of supply, which we cannot ensure would be as per our required terms. Any negative development involving our suppliers and their products, could adversely affect our business growth, profitability, results of operations and goodwill and we may not be in a position to alter or avoid such developments.

16. We have incurred substantial indebtedness which exposes us to various risks which may have an adverse effect on our business and results of operations

As of March 31, 2015, we have ₹ 886.43 lakhs (excluding non-fund based) of outstanding debt on our consolidated balance sheet. Our level of indebtedness has important consequences to us, such as:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- affecting our credit rating;
- limiting our ability to borrow more money both now and in the future; and
- increasing our interest expenditure and adversely affecting our profitability, since almost all of our debt bears interest at floating rates.

If any of these risks were to materialise, our business and results of operations may be adversely affected.

17. There are various negative covenants in the agreements entered into by us and our lenders, which could put us at a competitive disadvantage and could have an adverse effect on our business, results of operations and financial condition.

Our financing agreements contain provisions that restrict our ability to do, among other things, any of the following:

- Change or alter capital structure, unless stipulated by the Bank
- Effect any scheme of amalgamation or reconstitution.
- Implement a new scheme of expansion or take up an allied line of business / manufacture.
- Divert the funds raised to Inter Corporate Deposits, Debentures, Stocks & Shares, Real Estate, etc.
- Declare dividends without paying the due instalments, interests etc. to the Bank and without regularizing the Bank Accounts.
- Enlarge the scope of other manufacturing / trading activities.
- Withdraw moneys brought in by promoters / directors / friends and relatives.
- Invest any fund by way of deposits or loans or in share capital.
- Borrow or obtain credit facilities from any other Bank / Institution..

We must obtain the approval of the lenders under our financing agreements before undertaking these significant corporate actions. We cannot assure you that the lenders will grant the required approvals in a timely manner, or at all. The time required to secure consents may hinder us from taking advantage of a dynamic market environment. In addition to the restrictions listed above, we are required to maintain certain financial ratios under our financing agreements. These financial ratios and the restrictive provisions could limit our flexibility to engage in certain business transactions or activities.

Additionally, our financing agreements are secured by our movable, immovable or intangible assets (whether existing or future), goods and work-in-progress (whether existing or future) and by a personal guarantee of our Promoters. Such financing agreements enable the lenders to cancel any outstanding commitments, accelerate the repayment, exercise cross default provisions and enforce their security interests on the occurrence of events of default such as a breach of financial covenants, failure to obtain the proper consents, failure to perfect security as specified and such other covenants that are not cured. It is possible that we may not have sufficient funds upon such an acceleration of our financial obligations to pay the principal amount and interest in full. Further, if we are forced to issue additional equity to the lenders, your ownership interest in our Company will be diluted. It is also possible that future financing agreements may contain similar or more onerous covenants and may also result in higher interest cost.

If any of these events were to occur, our business, results of operations and financial condition may be adversely affected.

18. ***There are certain material outstanding litigations pertaining to our group companies, which if concluded against us, could have a material adverse effect in the future.***

Based on the materiality criteria approved by our board on September 25, 2015, there are no material litigations pertaining to our company, directors and promoters as on the date of this Draft Prospectus. However, there are certain material outstanding litigations pertaining to our group companies, which if concluded against them, could have a material adverse effect on those companies and to that extent affect our goodwill as well as financial conditions of our involved directors. A summary table of these litigations is shown below:

Sr. No.	Nature of Litigation (involving our group company)	No. of cases / matters	Amount involved (₹ in lakhs)
1.	Income Tax Matters	2	11.17
2.	Other Cases/matters initiated against our group companies	5	300.46
3.	Other Cases/matters initiated by our group companies	1	168.93

For further details pertaining to these litigations / matters, please refer "Outstanding Litigations and Material Developments" beginning on page no. 205 of this Draft Prospectus.

As on date of this Draft Prospectus, there are no outstanding litigations against our company. However, there are certain outstanding litigations against our directors, promoters and group companies which have been considered immaterial and not part of the disclosure in this offer document. Further, there can be no assurance that the other litigations and matters which have been considered as immaterial (due to the materiality criteria) and hence not disclosed in this offer document, would not become larger liabilities as the matter progresses and could if held against us materially affect our company.

19. ***Our Group Entities have incurred losses during the last three financial years***

Some of our Promoter Group Entities have incurred losses during the last three financial years, details of which are as under:

Unlisted Companies

(₹ in lakhs)

Name of the Company	March 31, 2014	March 31, 2013	March 31, 2012
International Financial Services Ltd.	(9.70)	9.29	27.96
Ajmera Commodities and Derivatives Pvt. Ltd.	(0.15)	3.35	8.30
Essem Capital Markets Ltd.	28.45	(3.62)	6.52

LLPs

(₹ in lakhs)

Name of the Company	March 31, 2014	March 31, 2013	March 31, 2012
Adamo Hospitality LLP	(6.45)	14.36	(0.50)
Acharya Reality LLP	0.01	0.03	(0.01)
Ajmera Cityscapes LLP	(0.07)	NA	NA

20. ***The capacity of the current plant of our subsidiary is not fully utilized, consecutively, if there is also any under-utilization of our proposed expanded capacities, this in turn could affect our ability to fully absorb fixed costs and thus may adversely impact our financial performance.***

The capacities of various product types at our subsidiary's Plant have not been fully utilized over the last three financial years, the details of which are as follows:

Product	Particulars	for the Financial Year		
		2012-13	2013-14	2014-15

Ferrous Fumarate	Installed Capacity (Tons / month)	60	60	100
	Utilised Capacity (Tons / month)	45	45	50
	Utilised Capacity (%)	75%	75%	50%
Fumaric Acid	Installed Capacity (Tons / month)	-	10	25
	Utilised Capacity (Tons / month)	-	5	19
	Utilised Capacity (%)	-	50%	75%
Bronopol	Installed Capacity (Tons / month)	-	3	3
	Utilised Capacity (Tons / month)	-	1	1
	Utilised Capacity (%)	-	33%	33%
Povidone Iodine	Installed Capacity (Tons / month)	-	7	7
	Utilised Capacity (Tons / month)	-	4	2
	Utilised Capacity (%)	-	55%	30%

Further, we propose to expand these production capacities based on our estimates of market demand and profitability. In the event of non-materialization of our estimates and expected order flow for our products and/or failure of optimum utilization of our capacities, due to factors including adverse economic scenario, change in demand or for any other reason, our capacities may not be fully utilized thereby impairing our ability to fully absorb our fixed cost and may adversely impact our consolidated financial performance.

21. ***We may be subject to inspections under the Maharashtra Pollution Control Board and Drugs and Cosmetic Act, 1940 by the Food & Drug Administration Drug Licence at local levels which may result in imposition of penalty on us***

Inspection proceedings are undertaken at local levels, by the Maharashtra Pollution Control Board (MPCB) for our subsidiary company's manufacturing plant and by the Food & Drugs Administration under the Drugs and Cosmetic Act, 1940, at regular intervals of pharmaceutical samples that are manufactured / traded by us. We may not receive timely communication regarding the pharmaceutical or chemical sample inspections etc., collected by the inspectors from the various storage and distribution centres like client manufacturing plants, depots, manufacturing plant of our subsidiary and/or storage facilities of our Company. Consequently, we may fail to adhere to the directions of the authorities in a timely manner which may attract penal sanctions affecting our operations and standalone as well as consolidated financial condition.

22. ***Orders placed by customers may be delayed, modified, cancelled or not fully paid for by our customers, which may have an adverse effect on our business, financial condition and results of operations***

We may encounter problems in executing the orders in relation to our traded products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers, including delays or failure to obtain necessary permits, authorizations, permissions and other types of difficulties or obstructions, may result in the postponement of the delivery of products or cause its cancellation. Further, since we do not execute contracts with our customers, the order could be cancelled or there could be changes in scope and / or scheduled delivery of the products. Accordingly, it is difficult to predict with certainty if, when, and to what extent we may be able to deliver the orders placed. Failure to deliver products on time could lead to customers delaying or refusing to pay the amount, in part or full, which may adversely affect our business

In addition, even where a delivery proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. While we have not yet experienced any material delay, reduction in scope, cancellation, execution difficulty, delay or default in payment with regard to the orders placed with us, or any material disputes with customers in respect of any of the foregoing, any such adverse event in the future could materially harm our cash flow position and income. Any delay, modification, cancellation of order by our large customers may have material adverse effect on our financial condition and results of operations.

23. ***Our pharmaceutical API business could be adversely affected by introduction of alternative pharmaceutical remedies and increase in alternative therapies such as herbal, ayurvedic and homeopathic treatments.***

We trade and manufacture (through our subsidiary) APIs and face the risk of any new research and development activity which may affect the popularity and use of the APIs we deal in. The adoption of the products derived through new R&D could have a negative impact on traditional APIs currently in use. For example, through medical R&D, another form of iron supplement may be developed, thus rendering our product of ferrous fumarate outdated or redundant. While the launch and wide commercial use of such an ingredient may take some time, the new ingredient may be more cost – effective and provide better results than existing APIs and therefore, we cannot be sure how much time we may have to adapt to the new development. The growth and acceptance of such alternative ingredients by formulators, traders and consumers may have an adverse effect on our trading as well as our subsidiary's manufacturing operations which thereby may affect our consolidated revenues and financial condition.

Further, with the growing popularity of alternative therapies like herbal, ayurvedic and homeopathic treatments, the use of, our products may have an adverse impact, which are majorly used in allopathic medications. India has witnessed the ayurvedic and homeopathic benefits in many illness, deficiencies, and diseases and has been used since a long time in history. An inclination towards these alternative therapies may reduce the dependence of the end users at large on formulations and other allopathic medications, which in turn will affect our business and results of operations adversely.

24. ***We are susceptible to product liability claims that may not be covered by insurance and may subject us to substantial expenditure thereby adversely affecting our reputation and if the claim is successful, could require us to pay substantial amounts***.

We face the risk of loss resulting from, and the adverse publicity associated with, product liability lawsuits, whether or not such claims are valid. We may also be subject to claims resulting from our subsidiary's manufacturing defects or negligence in storage, packaging or handling which may lead to the deterioration of the APIs. Even unsuccessful product liability claims would likely require us to incur substantial expenses on litigation, divert management's time, adversely affect our goodwill and impair the marketability of formulations.

We are liable for the quality of the APIs for the duration of their shelf life. Disputes over non-conformity of the APIs with prescribed quality standards or specifications including storage specifications are generally referred to independent testing laboratories. If any independent laboratory confirms that the APIs do not conform to the prescribed or agreed standards and specifications, we may be required to bear the expenses of replacing and testing such APIs, which could adversely affect our business, results of operations, cash flows and financial condition.

Further, we do not have any insurance coverage for product liability and if we are to take the same, it may result in additional expense. From time to time, the pharmaceutical industry has experienced difficulty in obtaining desired product liability insurance coverage.

The risk of product liability suits is also likely to increase as we venture into manufacture of other APIs and Excipients and enhance our portfolio. If any product liability claim not covered by insurance were sustained against us, it could adversely affect our business, financial condition, results of operations and cash flows.

25. ***Our Company will not receive any proceeds from the Offer for Sale portion.***

This Offer comprises of an offer for sale of 15,04,000 Equity Shares by our Promoter / Promoter Group – Manish Ajmera, Ashish Ajmera, Alpesh Ajmera, Jiten Ajmera, Minal Ajmera, Nitin P. Ajmera, Kishore Ajmera HUF and Richie Rich Resorts Pvt. Ltd. The entire proceeds from the Offer will be paid to the aforesaid persons in proportion of the Equity Shares offered by them in the Offer and we will not receive any proceeds from the Offer. For further details, please refer the chapter titled "*Objects of the Offer*" on page no. 62 of the Draft Prospectus.

26. ***Our Subsidiary has a manufacturing plant located in Maharashtra. Any delay in production at, or shutdown of, these facilities may in turn adversely affect our business, financial condition and results of operations.***

Our Subsidiary has a manufacturing facility which is located in Tarapore, near Mumbai in the State of Maharashtra. Further, our Company proposes to set up another plant in the surrounding area for manufacture of various APIs and Excipients. These facilities may be subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output, raw material shortage or unsuitability, obsolescence, labour disputes, strikes, lock-outs, non-availability of services of our external contractors, our ability to respond to technological advances and emerging industry and safety standards and practices in the industries we operate and propose to operate on a cost-effective and timely basis, earthquakes and other natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities, and any other factors which may or may not be within our control. The occurrence of any of these risks could significantly affect our operating results. Although we take precautions to minimize the risk of any significant operational problems at our facilities, our business, consolidated financial condition, results of operations and the trading price of our Equity Shares may be adversely affected by any disruption of operations at our facilities, including due to any of the factors mentioned above.

27. Our success largely depends on our ability to attract and retain our Key Managerial Personnel. Any loss of our Key Managerial Personnel could adversely affect our business, operations and financial condition

Our Company is depending significantly on the expertise, experience and continued efforts of our key managerial personnel. If one or more members of our Key Managerial Personnel are unable or unwilling to continue in his/her present position, it may be difficult to find a replacement, and business might thereby be adversely affected. Our industry requires personnel with specific technical knowledge and experience for our trading and more particularly our subsidiary's manufacturing business.

Competition for Key Managerial Personnel in our industry is intense and it is possible that our Company may not be able to retain existing Key Managerial Personnel or may fail to attract/ retain new employees at equivalent positions in the future. As such, loss of Key Managerial Personnel could adversely affect our business, results of operations and financial condition. For further details on the key managerial personnel of our Company, please refer to the chapter titled "*Our Management*" beginning on page no. 118 of this Draft Prospectus.

28. Increased competition may result in decreased demand or lower prices for our agrochemical and non-agrochemical products which could reduce our profitability.

We face substantial competition from existing and potential competitors who may seek to trade and / or manufacture the same or similar APIs as us in the particular area or competitors who are already manufacturing, distributing and selling APIs which we propose to expand into. None of our registrations are granted exclusively to us and our competitors are free to seek registration for APIs for which we hold registrations. In the event that other players obtain registration for APIs that we have registered for, it may adversely affect our sales and margin in relation to such APIs.

Additionally, we compete with existing pharmaceutical trading companies on the basis of portfolio of our API offerings, product traits, including quality consistency, as well as based on price, reputation, customer service and customer convenience. Some of our competitors may be large multi-national companies that have significantly greater resources and access than those available to us. If we are unable to compete effectively, including in terms of pricing or providing quality APIs, our market share may decline, which could have a material adverse effect on our results of operations and cash flows.

29. We have recently acquired a subsidiary – Ajmera Organics Pvt. Ltd. which is engaged in manufacturing of APIs. We also intend to start manufacturing business in our Company. However, we do not have substantial experience for the proposed business activities in our Company.

Our Company is predominantly a trading Company and has been involved in trading of APIs since its incorporation. We now propose to widen our scope by entering into the manufacturing domain by setting up a plant for manufacture of bulk drugs, with a focus on generic and oncology APIs and other excipients. To aid us in understanding the manufacturing process, we have acquired a subsidiary – Ajmera Organics Pvt. Ltd. through which we are currently carrying out manufacturing activities. Our subsidiary is involved in the manufacture of various APIs with concentration of Ferrous Fumarate and has an installed capacity of 150 tons / month. However, our subsidiary is managed by persons who were part of its erstwhile management, and we are not actively involved. Considering the fact that these activities will be relatively newer to our organisation, we cannot assure that we would be able to:

- Adequately analyze key risks and other metrics prior to beginning our manufacturing activity;
- Develop a well trained operations team with relevant systems and processes to handle the unit;
- React effectively to any Government regulation which prohibits manufacture, import, export or trade or other such externality which would be having a major impact on cost of production;
- Comply with various regulations of Pollution Control Board, FDA and other pharmaceutical regulatory authority;
- Maintain a clean and efficient manufacturing unit with labour interests of health and hygine.

Hence, the lack of experience in this new proposed line of business could adversely affect our ability to achieve our sales and key execution targets and hence adversely impact our future consolidated and standalone results of operations and financial conditions.

30. Our failure to accurately forecast demand or in case of order based procurements, any cancellation of orders or delay in supply of APIs by third party manufacturers to meet such orders, could result in an unexpected shortfall or surplus in the supply of APIs resulting into higher inventory, which could adversely affect our operations and profitability.

We maintain inventory of APIs in our storage facility based on existing demand trends to meet a certain unexpected demand. We monitor such inventory levels based on our own projections of future demand. In the past, we have experienced high levels of inventory of ₹ 414.97 lakhs as per the restated financials as at March 31, 2015 to meet the demand. If we are unable to appropriately estimate the demand for APIs for any reason, the same could result in surplus of inventory levels or unavailability of APIs in high demand resulting in below potential sales. Additionally, in case of order based procurements, any cancellation of orders or delay in supply of APIs by third party manufacturers to meet such orders, could also result in surplus or shortfall of APIs, which could adversely affect our operations. Further, excess stock subjects us to additional risks related to storage of APIs such as health and safety hazard and environmental damage and theft, which could adversely affect our operations and profitability.

31. We rely on our systems including information technology systems to manage our business processes and reporting and their failure could adversely affect our operations.

We rely on our information technology systems to manage our business processes and reporting. Any failure or malfunction in these information technology systems could result in business interruptions, including disruption in tracking, recording and analyzing work in progress, processing financial information, managing creditors/debtors or engaging in normal business activities. This could adversely affect our reputation, competitive position and operational efficiencies.

32. We do not own some of our key properties which are used by us currently

Our Registered Office situated at 63/67, Carmello's Building, 4th Floor, Pathak Wadi Road, Mumbai – 400 002 is owned in the name of one of our Promoter, Jasmin Ajmera HUF. However, the tenancy agreement entered into by our Company is for property situated at 22B, 63/67, Carmello's Building, 3rd Floor, Pathak Wadi Road, Mumbai – 400 002. Majority companies in the Ajmera Group as a whole, have their offices on the 3rd and 4th floor at 63/37, Carmello's Building, Patahak Wadi, Mumbai – 400 002. Due to internal arrangement and administrative convenience, our registered office is situated on 4th floor of the said building, which is tenanted to our Promoter. Further, we continue to pay rent for the property on 3rd floor as mentioned in the table above.

We cannot guarantee the continuity of this arrangement and our Promoter may cease this arrangement. In case of such an event, we may loose our administrative convenience such as size, access and set-up and will be required to shift our office. This may result in additional cost, disruption of day-to-day activities and increased rent burden which would adversely affect our financial condition.

For details regarding such tenancy / rented properties, please refer to *"Our Business – Properties"* on page no. 101 of this Draft Prospectus.

33. In addition to normal remuneration, other benefits and reimbursement of expenses some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company

Some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our Directors or our Key Management Personnel would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Directors will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. Our Directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our Directors will always act to resolve any conflicts of interest in our favour, thereby adversely affecting our business and results of operations and prospects.

34. We are dependent on third party transportation providers for the delivery of our traded good to our storage facility and also for raw materials and other products at our subsidiary's manufacturing plant. Accordingly, continuing increases in transportation costs or unavailability of transportation services for our products, as well the extent and reliability of Indian infrastructure may have an adverse effect on our business, financial condition, results of operations and prospects

We trade in APIs manufactured by various companies and the same are brought to our storage facility in Bhiwandi, Mumbai and delivered to our customers by third party transportation providers. Also, most of our raw material and our finished products are transported to and from our subsidiary's manufacturing unit in Tarapore by third party transportation providers. Transportation strikes could have an adverse effect on our receipt of goods, raw materials and our ability to deliver our products to our customers. Non-availability of ships, barges, trucks and railway cars could also adversely affect our receipt of goods, raw materials and the delivery of our products.

In addition, transportation costs in India have been steadily increasing over the past several years. While usually the end consumer bears the freight cost, we may not always be able to pass on these costs to our customers. Continuing increases in transportation costs or unavailability of transportation services for our products may have an adverse effect on our business, financial condition, results of operations and prospects.

Further, India's physical infrastructure is less developed than that of many developed nations, and problems with its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity, including our supply of goods, raw materials and the delivery of our products to customers by third-party transportation providers. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our business operations, which could have a material adverse effect on our results of operations and financial condition.

35. Our operations may be adversely affected by strikes, work stoppages or increased wage demands by our or our contractors' workforce or any other industrial unrest or dispute

While we have not experienced any industrial unrest or dispute in our Tarapore unit in the past, we cannot be certain that we will not suffer any disruption to our operations due to strikes, work stoppages or increased wage demands in the future. Further, if our work force in Tarapore, unionizes in the future, collective bargaining efforts by labour unions may divert our management's attention and result in increased costs.

We may be unable to negotiate acceptable collective wage settlement agreements with those workers who have chosen to be represented by unions, which may lead to union-initiated strikes or work stoppages. Any shortage of skilled and experienced workers caused by such industrial unrest or disputes may adversely affect our business, results of operations and financial condition. Further, under Indian law, we may be held liable for wage payments or benefits and amenities made available to "daily wage" workers. Any requirement to discharge such payment obligations, benefits or amenities or to absorb a significant portion of the "daily wage" workers on our own rolls may adversely affect our business, results of operations and financial condition.

36. We have not made any provisions for decline in value of our Investments

As on March 31, 2015, we have made investments in Quoted and Unquoted Equity Instruments aggregating to ₹ 11.70 lakhs and ₹ 5.95 lakhs, respectively, as per Consolidated Restated Financial Statements. We have not made any provision for the decline in value of these investments and hence as and when these investments are liquidated, we may book losses based on the actual value we can recover for these investments and the same could adversely affect our results of operations.

37. Our inability to manage growth could disrupt our business and reduce profitability

A principal component of our strategy is to continuously grow by expanding the size and geographical scope of our businesses. This growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial and internal controls. Continuous expansion increases the challenges involved in financial management, recruitment, training and retaining high quality human resources, preserving our culture, values and entrepreneurial environment, and developing and improving our internal administrative infrastructure. Any inability on our part to manage such growth could disrupt our business prospects, impact our financial condition and adversely affect our results of operations.

38. ***We are required to incur substantial expenditure for our business operations and if we are not able to manage our financial requirements in the future, we may be required to obtain additional financing which may not be on terms commercially acceptable to us.***

We are required to incur substantial expenditure for conducting our business operations primarily in relation to making payments to our suppliers for the bulk quantities of APIs and chemicals purchased by us for our trading business. Also, substantial expenditure is incurred for obtaining registrations for trading, storing and manufacturing APIs. The actual amount and timing of our future capital requirements may differ from estimated requirements as a result of, amongst other things, unforeseen delays in conducting tests and trials, seeking or grant of registrations, or cost overruns while seeking registrations, changes in business plans due to prevailing economic conditions, unanticipated expenses and regulatory changes. If we are not able to manage our financial requirements from our internal accruals in the future, we may be required to seek additional debt or equity financing. Additional debt financing could increase our interest costs and require us to comply with restrictive covenants in our financing agreements. Additional equity financing could dilute our earnings per Equity Share and your interest in the Company, and could adversely impact the price of our Equity Share.

Our ability to obtain additional financing on favourable terms, if at all, will depend on a number of factors. We cannot assure you that we will be able to raise additional financing on acceptable terms in a timely manner or at all which could adversely impact our planned capital expenditure and our business.

39. ***The acquisition of other companies, businesses or technologies in the future could result in operating difficulties, integration issues and other adverse consequences due to our limited past experience in acquiring businesses.***

We have explored inorganic growth opportunities to enter into manufacture of APIs thereby increasing our consolidated revenues and expand our geographic presence and we may in the future acquire additional assets, technologies or businesses to complement our operations. For instance, in 2013-14, we acquired majority control of Abhishek Organics Private Limited, which was later re-named Ajmera Organics Private Limited.

To foster our growth, we may consider making additional acquisitions in the future to expand our business. However, we have limited experience in acquiring businesses, and any acquisitions we undertake could limit our ability to integrate an acquired business and may create unforeseen operating difficulties and expenditures, including potentially dilutive issuances of the Equity Shares, incurrence of debt, contingent liabilities or amortization expenses or write-offs of goodwill, difficulties in integrating the operations, technologies, research and development activities, personnel and distribution, marketing and promotion activities of acquired businesses and ineffectiveness or incompatibility of acquired technologies. Our inability to identify suitable acquisition opportunities, entering into agreement with such parties or obtain the necessary financing to make such acquisitions could adversely affect our future growth. Moreover, the costs of identifying and consummating acquisitions may be significant. Also, acquired assets or businesses may not generate the financial results we expect. We may also have to obtain approvals and licenses from the relevant government authorities for the acquisitions and to comply with any applicable laws and regulations, which could result in increased costs and delay. We cannot assure you that we will be able to achieve the strategic objective for such an acquisition. Furthermore, if an acquisition generates insufficient revenues or if we are unable to manage our expanded business operations efficiently, our consolidated results of operations could be materially and adversely affected.

40. ***Our Promoters play key role in our functioning and we heavily rely on their knowledge and experience in operating our business and therefore, it is critical for our business that our Promoters remain associated with us. Our success also depends upon the services of our key managerial personnel and our ability to attract and retain key managerial personnel and our inability to attract them may affect our operations.***

We benefit from our relationship with our Promoters and our success depends upon the continuing services of our Promoters who have been responsible for the growth of our business and are closely involved in the overall strategy, direction and management of our business. Our Promoters have been actively involved in the day to day operations and management since the incorporation of the Company. Accordingly, our performance is heavily dependent upon the services of our Promoters. If our Promoters are unable or unwilling to continue in their present position, we may not be able to replace them easily or at all. Further, we rely on the continued services and performance of our key executives and senior management for continued success and smooth functioning of the operations of the Company. If we lose the services of any of our key managerial personnel, we may be unable to locate suitable or qualified replacements, and may incur additional expenses to recruit and train new personnel, which could adversely affect our business operations and affect our ability to continue to manage and expand our business. Moreover, we do not maintain key person insurance to insure against the loss of key personnel.

Our Promoters, along with the key managerial personnel, have over the years built relations with manufacturers, formulators, customers and other persons who are connected with us. The loss of their services could impair our ability to implement our strategy, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

41. ***We do not own the “ ” trademark, and our ability to use the trademark, name and logo may be impaired.***

The “ ” trademark, name and logo do not belong to us. The “ ” trademark belongs to Adamo Hospitality LLP (“AHL”), one of our Promoter Group Company and we make use of it through an informal arrangement with AHL as a part of the Ajmera Group. We have not made, nor are we required to make any payments to AHL for use of the “ ” trademark. If the Ajmera Group withdraws, refuses to renew or terminates this arrangement, we will not be able to make use of the “ ” trademark, name or logo in connection with our business and consequently, we may be unable to capitalize on the brand recognition associated with the Ajmera Group. Accordingly, we may be required to invest significant resources in developing a new brand.

For further details, see “*Our Business — Intellectual Property*” on page no. 101 of this Draft Prospectus.

42. ***We have many group companies where our Promoters / Directors are actively involved***

Our Company is part of a business conglomerate and our Promoters and Directors are also actively involved in various other group companies. Our Promoters may devote substantial time and resources to develop and grow the business of other group companies, which could result in lack of leadership in our Company and lead to negligence of business operations, quality and safety standards, customer and supplier relations and certain regulatory affairs. Though none of our group companies except our subsidiary company, are involved in business similar to us, we cannot guarantee that our promoters will divide their time and energy between our group companies and us. Though our key managerial personnel are well experienced to carry out the business activities, lack of involvement of our Promoters could have an adverse effect on our goodwill and financial performance.

43. ***There is a matter pertaining to Companies Act violations involving one of our group company – Ajmera Associates Ltd. for which our Company does not have access to any information / documents. There can be no assurance that these violations / actions against AAL would not affect our operations and goodwill in the future.***

As per the MCA Website – it appears that there is some prosecution u/s 162(1) and 220(3) of the Companies Act, 1956 initiated by the Court of the Additional Chief Metropolitan Magistrate, Girgaon, Mumbai against one of our Group company – Ajmera Associates Ltd. (*“AAL”*) citing violations of sections 159, 160, 161, 220(1) and 220(2) of the Companies Act, 1956. Based on the information provided to our company by the group company, they have not even received any notice or paper regarding this matter from the relevant authorities or it seems that there is some error in misplacing documents if any. Hence, AAL is currently in the process of figuring out the exactness of the matter and hence shall thereon take necessary steps to either condone or strike off any such violations.

However, due to lack of data availability, we are unable to make adequate disclosures in this offer document pertaining to this matter, and also, the group company may not be in a situation to take necessary corrective action on the same. Further, there can be no assurance that, these orders and matters between AAL and ROC would not affect our IPO process as well as our general business operations and goodwill in the future.

44. ***Some of our Directors are associated with securities market businesses and these companies have, in the past, received SEBI orders leading to penalties.***

Our group company, Ajmera Associates Limited (“**AAL**”), a SEBI registered broker, is associated with the securities market. Our Directors, namely Mr. Jasmin Ajmera and Mr. Manish Ajmera are also on the board of directors of AAL along with other members of our Promoter Group. In course of its business, AAL has received six orders against it from SEBI pertaining to various matters in the period between the years 2008 to 2012, out of which two orders were revoked / set aside by SAT in the appeal filed by AAL. Hence, AAL has paid an aggregate penalty of ₹ 4.25 lakhs for the orders passed against it.

Further, our Chairman and Independent Director, Mr. Deepak Shah was also associated as a proprietor of M/s. Deepak Bhogilal Shah, a SEBI registered broker and has in the past been penalised by SEBI with a suspension of six month period from January 1999 to July 1999.

Being involved in the securities market, these businesses face the risk of future penalties and we cannot guarantee that more such orders / inquiries will not be initiated by SEBI or the Stock Exchange and that they will not involve penalties. Any major order against AAL, will impact the goodwill and credibility of the Ajmera Group as a whole and in turn affect our reputation and trade relations with our suppliers and customers, leading to disruption and adversely affecting our business operations and financial condition.

45. ***If we suffer a large uninsured loss or if we suffer an insured loss that significantly exceeds our insurance coverage, our financial condition and results of operations may be adversely affected.***

Our business, assets and stocks could suffer damage from fire, natural calamities, misappropriation or other causes, resulting in losses, which may not be fully compensated by insurance. While we believe that we maintain insurance coverage in amounts consistent with industry norms, our insurance policies do not cover all risks and are subject to exclusions and deductibles. There can be no assurance that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim.

Further, we are required to renew these insurance policies from time to time and in the event, we fail to renew the insurance policies within the time period prescribed in the respective insurance policies or not obtain at all, we may face significant uninsured losses. If we suffer a large uninsured loss or if any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be adversely affected.

46. ***Our company is yet to appoint full time company secretary having valid membership number and hence we yet to comply with the requirements of the listing agreement and relevant regulations of the companies act in this matter.***

Our company has appointed Ms. Jinkle Khimsaria as a Trainee Company Secretary. Ms. Jinkle has completed her CS examinations in November 2014. However, she is yet to complete her training as mandated by the Institute of Company Secretaries of India (ICSI) and hence she has not received her registration number from ICSI. She has undertaken the required formalities to undertake this training and once she gets the registration number, we propose to appoint her as the full time Company Secretary and Compliance Officer by filing the relevant RoC form. However, until such time, we would be in violation of the Companies Act for such period. Any penalty imposed for such non-compliance in the future by any regulatory authority could affect our financial conditions to that extent. Further, if we are unable to appoint full time company secretary having valid membership number, then we would have to delay our IPO process and would not be able to file the Prospectus till then.

47. ***Some of the forms filed by us with the Registrar of Companies and our records in that respect are not traceable.***

We have been unable to locate certain corporate records of our Company for the period of January 1996 to December 2000 in respect of Allotment of shares to share holders during the period. The said records pertain to allotment of 9,996 equity shares on September 1, 1995 and allotment of 35,000 equity shares on June 15, 1996. Though we have details of these allotments through board resolutions and internal registers, we cannot assure you that these records will be available in the future or that we will not be subject to any penalty imposed by the competent regulatory authority in this respect.

RISK FACTORS RELATED TO EQUITY SHARES

48. ***Any further issuance of Equity Shares by our Company or sales of Equity Shares by any significant shareholders may adversely affect the trading price of the Equity Shares***

Any future issuance of Equity Shares by our Company could dilute the investors’ shareholding. Any such future issuance of Equity Shares or sales of Equity Shares by any of our significant shareholders may also adversely affect the trading price of the Equity Shares, and could impact our ability to raise capital through an offering of securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares.

49. ***There is no existing market for our Equity Shares, and we do not know if one will develop. Our stock price may be highly volatile after the Offer and, as a result, you could lose a significant portion or all of your investment***

There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all and any trading closures at the Stock Exchanges may adversely affect the trading price of our Equity Shares. Prior to the Offer, there has not been a public market for the Equity Shares. Further, we cannot predict the extent to which investor interest will lead to the development of an active trading market on the Stock Exchanges or how liquid that market will become. If an active market does not develop, you may experience difficulty selling the Equity Shares that you purchased. The Offer Price is not indicative of prices that will prevail in the open market following the Offer. Consequently, you may not be able to sell your Equity Shares at prices equal to or greater than the Offer Price. The market price of the Equity Shares on the Stock Exchanges may fluctuate after listing as a result of several factors, including the following:

- Volatility in the Indian and other Global Securities Markets;
- The performance of the Indian and Global Economy;
- Risks relating to our business and industry, including those discussed in this Draft Prospectus;
- Strategic actions by us or our competitors;
- Investor perception of the investment opportunity associated with the Equity Shares and our future performance;
- Adverse media reports about us, our shareholders or Group Companies;
- Future sales of the Equity Shares;
- Variations in our quarterly results of operations;
- Differences between our actual financial and operating results and those expected by investors and analysts;
- Our future expansion plans;
- Perceptions about our future performance or the performance of Indian Steel Processing companies generally;
- Performance of our competitors in the Indian Steel / Steel Processing industry and the perception in the market about investments in the Steel sector;
- Significant developments in the regulation of the Steel industry in our key locations;
- Changes in the estimates of our performance or recommendations by financial analysts;
- Significant developments in India's economic liberalisation and deregulation policies; and
- Significant developments in India's fiscal and environmental regulations. There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share

Price could fluctuate significantly as a result of market volatility. A decrease in the market price of the Equity Shares could cause you to lose some or all of your investment.

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

The price of the Equity Shares will be subject to a daily circuit breaker imposed by all stock exchanges in India which does not allow transactions beyond a certain level of volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by the SEBI on Indian stock exchanges. The percentage limit on our circuit breaker is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker from time to time, and may change it without our knowledge. This circuit breaker effectively limits upward and downward movements in the price of the Equity Shares. As a result, shareholders' ability to sell the Equity Shares, or the price at which they can sell the Equity Shares, may be adversely affected at a particular point in time.

51. ***Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows***

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements, and that of our Subsidiary and the dividends they distribute to us. Our business is working capital as well as capital intensive. We further propose to incur capital expenditure in setting up an additional manufacturing plant for production of various APIs and Excipients. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations.

EXTERNAL RISK FACTORS

52. Any change in the government policies vis-à-vis expenditure, subsidies and incentives etc. in pharmaceutical sector could affect their ability to spend on agrochemical products, thereby affecting our business and profitability.

Any changes in government policies relating to the pharmaceutical sector such as reduction of government expenditure, withdrawal or changes in incentives and subsidy systems, pricing restriction on formulations, or adverse changes in chemical prices and/or minimum support prices could have an adverse effect on the ability of consumers to spend on pharmacy products.

Our ability to freely set prices for APIs may be restricted by the government and our profits may reduce. End users of our APIs and related formulations may seek to find ways to reduce or contain related costs. We currently sell APIs in the State of Maharashtra, Gujarat, Rajasthan and Madhya Pradesh. We cannot predict the nature of the measures that may be adopted by governments or private organisations or their impact on our revenues. In the event such measures result in increased costs for manufacturers to undertake API or chemical production, their demand for APIs may reduce, which could reduce our cash flows. Also, if pharmaceutical related legislation or third party payer influence results in lower prices for APIs, our overall revenues may decrease and our cash flows and profits could be adversely affected even in cases where the demand for formulations and generic active ingredients increases.

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

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital, disclosures in prospectus, corporate governance norms, audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. Further, companies meeting certain financial thresholds are also required to constitute a committee of the board of directors for corporate social responsibility activities and ensure that at least 2% of the average net profits of the company during three immediately preceding financial years are utilized for corporate social responsibility activities. Penalties for instances of non-compliance have been prescribed under the Companies Act, 2013, which may result in inter alia, our Company, Directors and key managerial employees being subject to such penalties and formal actions as prescribed under the Companies Act, 2013, should we not be able to comply with the provisions of the New Companies Act within the prescribed timelines, and this could also affect our reputation.

To ensure compliance with the requirements of the Companies Act, 2013 within the prescribed timelines, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention. While we shall endeavour to comply with the prescribed framework and procedures, we may not be in a position to do so in a timely manner.

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

54. *Any changes in the regulatory framework could adversely affect our operations and growth prospects*

Our Company is subject to various regulations and policies. For details see section titled "*Key Industry Regulations and Policies*" beginning on page no. 104 of this Draft Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse affect on our business, financial condition and results of operations.

55. *Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse affects on our operations and financial performance*

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

56. *Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and our business.*

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, impede travel and other services and ultimately adversely affect our business. In addition, any deterioration in relations between India and Pakistan might result in investor concern about stability in the region, which could adversely affect the price of our Equity Shares.

India has also witnessed civil disturbances in recent years and it is possible that future civil unrest as well as other\ adverse social, economic and political events in India could have a negative impact on the value of share prices generally as well as the price of our Equity Shares. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the price of our Equity Shares.

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

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets.

The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

58. *Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our Company's business*

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our Company's ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could harm our Company's business and financial performance and ability to obtain financing for capital expenditures.

59. Conditions in the Indian securities market and stock exchanges may affect the price and liquidity of our Equity Shares.

Indian stock exchanges, which are smaller and more volatile than stock markets in developed economies, have in the past, experienced problems which have affected the prices and liquidity of listed securities of Indian companies. These problems include temporary exchange closures to manage extreme market volatility, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected. Further, a closure of, or trading stoppage on, either of the Stock Exchanges could adversely affect the trading price of our Equity Shares.

60. Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessments of our Company's financial condition. Our failure to successfully adopt IFRS may have an adverse effect on the price of our Equity Shares. The proposed adoption of IFRS could result in our financial condition and results of operations appearing materially different than under Indian GAAP.

Our financial statements, including the financial statements provided in this Draft Prospectus, are prepared in accordance with Indian GAAP. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP. For details, see "*Presentation of Financial, Industry and Market Data*" on page no. 7 of this Draft Prospectus. Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

India has decided to adopt the "Convergence of its existing standards with IFRS" and not the "International Financial Reporting Standards" ("IFRS"), which was announced by the MCA, through the press note dated January 22, 2010. These "IFRS based / synchronized Accounting Standards" are referred to in India as IND (AS). Public companies in India, including our Company, may be required to prepare annual and interim financial statements under IND (AS). The MCA, through a press release dated February 25, 2011, announced that it will implement the converged accounting standards in a phased manner after various issues, including tax related issues, are resolved. Further, the Finance Minister, during the Budget speech, 2014, proposed the adoption of IND (AS) by Indian companies from fiscal 2016 on a voluntary basis, and from fiscal 2017 on a mandatory basis. Accordingly, it is not possible to quantify whether our financial results will vary significantly due to the convergence to IND (AS), given that the accounting principles laid down in the IND (AS) are to be applied to transactions and balances carried in books of accounts as on the date of the applicability of the converged standards (i.e., IND (AS)) and for future periods.

Further, we have made no attempt to quantify or identify the impact of the differences between Indian GAAP and IFRS or to quantify the impact of the difference between Indian GAAP and IFRS as applied to its financial statements. There can be no assurance that the adoption of IND-AS will not affect our reported results of operations or financial condition. Any failure to successfully adopt IND-AS may have an adverse effect on the trading price of our Equity Shares.

Moreover, our transition to IFRS reporting may be hampered by increasing competition and increased costs for the relatively small number of IFRS-experienced accounting personnel available as more Indian companies begin to prepare IFRS financial statements. Any of these factors relating to the use of IFRS-converged Indian Accounting Standards may adversely affect our financial condition.

PROMINENT NOTES

1. Investors are free to contact the Lead Manager for any clarification, complaint or information pertaining to the Offer. The Lead Manager and our Company shall make all information available to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever.

2. The Net Worth of our Company is ₹ 1140.04 lakhs and the book value of each Equity Share was ₹ 2266.48 [(1)] as of March 31, 2015 as per our Standalone Restated Financial Statements. The Net Worth of our Company was ₹ 1148.11 lakhs and the book value of each Equity Share was ₹ 2282.52 [(1)] as of March 31, 2015 as per our Consolidated Restated Financial Statements. For more information, please refer the Section titled "*Financial Information*" beginning on page no. 147 of this Draft Prospectus.

   [(1)] As on March 31, 2015, the company's shares had a face value of ₹ 100/ - per share. However, subsequently, the company's shares have been split and the face value is now ₹ 10/ - per share. Further, our Company has issued bonus shares in the ratio of 10 shares for 1 share, and hence this pre-offer Standalone and Consolidated NAV should be read as ₹ 20.60/- and ₹ 20.75/- per share respectively after adjusting for these post fact events.

3. Public Offer of 15,04,000 Equity Shares for cash at price of ₹ 85 per share including a premium of ₹ 75 aggregating to ₹ 12 78.40 lakhs through an Offer of Sale by the Selling Shareholders. The Offer will constitute 27.18% of the post-Offer paid-up Equity Share capital of our Company.

4. The average cost of acquisition of Equity Shares by our Promoters is.

Promoter	Average cost (₹)
Mr. Jasmin Ajmera	0.91
Mr. Manish Ajmera	0.91
Mrs. Avani Ajmera	0.91
Mr. Harsh Ajmera	0.91
Jasmin Ajmera (HUF)	0.91
Manish Ajmera (HUF)	0.91

5. Investors are advised to refer to the chapter titled "*Basis for Offer Price*" beginning on page no. 64 of this Draft Prospectus.

6. The details of transactions by our Company with our Group Companies or subsidiary during the last year are disclosed under "*Annexure XIX - Related Party Transactions*" on page no. 183 of this Draft Prospectus.

7. There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoters of our Company, 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 6 (six) months immediately preceding the date of this Draft Prospectus.

8. Our Company was incorporated as Ajmera Trading and Impex Private Limited on May 04, 1990 under the Companies Act, 1956 in the State of Maharashtra. The name of our Company was changed to Ajmera Pharmasure Private Limited and the fresh certificate of incorporation dated June 17, 2011 was received from the Registrar of Companies, Maharashtra, Mumbai. The status of our Company was changed to a public limited company vide special resolution dated May 05, 2015 and the name of our Company was further changed to Ajmera Pharmasure Limited. The fresh certificate of incorporation consequent to the change of name was granted to our Company on June 03, 2015, by the Registrar of Companies, Maharashtra, Mumbai.

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

Since the first Monetary Policy Report (MPR) of September 2014, tectonic shifts in the global and domestic environment drastically changed the initial conditions that had underpinned staff's outlook at that time. The most significant shock to forecasts has been the collapse of international commodity prices, particularly those of crude. For the Indian economy, this translated into a sizable softening of prices of both raw materials and intermediates. Their pass-through, given the persisting slack in economic activity, weakened pricing power and fed into a faster than anticipated easing of output price pressures.

The Union Budget 2015-16 has provided for higher allocations to infrastructure and a substantial increase in the resource transfer to states, keeping in view the two-fold objectives of promoting inclusive growth and strengthening fiscal federalism. This has necessitated a deviation from the fiscal consolidation trajectory in 2015-16 and an extension of the period of convergence to the 3 % target for the gross fiscal deficit (GFD) as a proportion to GDP by one year. The budgeted reduction in GFD in 2015-16 reflects the combined impact of a compression in plan revenue expenditure and an increase in non-debt capital receipts.
(Source: Monetary Policy Report, issued by RBI on April 01, 2015)

PHARMACEUTICALS MARKET

The global pharmaceuticals market can be classified into two categories:

- Regulated Market

- Unregulated or Semi-regulated Market

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 or 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.

Indian Scenario

The Indian pharmaceuticals market is an extremely unique market. India has achieved an eminent global position in pharmaceutical sector. It is the third largest in terms of volume and thirteenth largest in the world in terms of value. The market is dominated majorly by branded generics which constitute nearly 70 to 80 % of the market.

The pharmaceutical sector is considered to be a highly fragmented industry. Thus, consolidation has increasingly become an important feature of the Indian pharmaceutical market.
(Source: Sectoral Report, issued by IBEF, in February 2015)

Market Size

The Indian pharmaceutical industry is estimated to grow at 20% compound annual growth rate (CAGR) over the next five years, as per India Ratings, a Fitch Group company. Indian pharmaceutical manufacturing facilities registered with US Food and Drug Administration (FDA) as on March 2014 was the highest at 523 for any country outside the US.

It is expected that the domestic pharmaceutical market will grow at 10-12% in financial year 2015 as compared to 9 % in the financial year 2014 as per a recent report from Centrum Broking. The domestic pharmaceutical growth rate was 11.9% in October 2014.

Also, growing at an average rate of about 20 %, India's biotechnology industry comprising bio-pharmaceuticals, bio-services, bio-agriculture, bio-industry and bioinformatics may reach the US$ 7 billion mark by the end of FY15, according to an industry body. Biopharmaceutical is the largest sector contributing about 62 % of the total revenue, with revenue generation to the tune of over Rs 12,600 crores (US$ 2.03 billion). The bio-pharmaceutical sector comprises vaccines, therapeutics and diagnostics.
(Source: Sectoral Report, issued by IBEF, in February 2015)

Bulk Drugs

Bulk Drugs or Active Pharmaceutical Ingredients (API) are the principal ingredients for finished pharmaceutical products. Intermediates are the compounds from which active pharmaceutical ingredients are prepared.

Based on the pharmaceutical customer base, the Indian API manufacturing segment can be divided into two sectors:

- **Innovative or Branded:**
  Any non patented molecule with a brand name other than the innovator‘s name is termed as a branded generic. India is primarily a branded generics (molecular copy of an off-patent drug with a trade name) market.

- **Generic or Unbranded:**
  In this market segment, there isn't a lot of scope. The market share is quite low. Additionally, there is lack of proper regulations and guidelines and doctor's comfort.
  The government of India has a program for such kind of drugs named "Jan Aushadi".

According to a new market report published by Transparency Market Research, the global active pharmaceutical ingredients (API) market was valued at USD 119.7 billion in 2013 and is anticipated to reach USD 185.9 billion by 2020, expanding at a CAGR of 6.5% during the forecast period from 2014 to 2020.
(Source: Active Pharmaceutical Ingredients (API) Market - Global Industry Analysis, Size, Share, Growth, Trends and Forecast 2014 – 2020)

Indian API Industry

In 2013, India's generic drug industry was estimated to US$ 19 billion and it ranks third globally, which contributes about 10 % to global pharmaceutical production. In India, pharmaceutical manufacturing units are largely concentrated in two states i.e. Maharashtra and Gujarat, which account for about 45 % of the total number of pharmaceutical manufacturing units in India.

The generic APIs market is expected to continue to rise faster than the branded or innovative APIs, by 7.7 % per year and is expected to reach $30.3 billion in 2016. Asia-Pacific is expected to show the fastest growth rates of 10.8 % per year. The 24 fastest growing markets will include 11 in Asia-Pacific, seven in Eastern Europe and CIS, four in Africa-Middle East and two in Latin America.

According to a report, the market share held by Indian API manufacturers in the global API market (generic APIs and branded/innovator APIs) was 6.5 % in 2005, which has been increased at the rate of 12.0 % till 2010, and is expected to increase to at the rate of 22 % by 2015. India's share of the global generic API merchant market has increased from 13.5 % in 2005 to 22.1 % in 2010 and is expected to increase to 33.3 % by 2015. Export sales of generic APIs from India increased at an average of rate of 18.9 % during 2005–2010.
(Source:Pharmabiz.com)

Future of Indian API Industry

The sales of finished APIs are increasing at faster rate up to 40-45 % per year. This is due to the strategy of Indian companies to raise the added value of revenues.
In Western Europe, Indian generic active pharmaceutical ingredient companies increased their market share from 15.9 % in 2008 to 19.2 % in 2012. They are also penetrating the strictly regulated and wary Japanese market, albeit from a low base. More generally, Indian APIs and pharmaceutical companies have been filling approximately 39 % of the global market.

Indian active pharmaceutical ingredient firms are aggressively strengthening their credibility in regulated markets by obtaining approval for their products, therapeutic applications, and manufacturing facilities. These companies, including those selling finished dosage forms, continue to outpace Chinese, Italian and other competitors in terms of DMFs, which are seen as a gradient of quality.

Higher quality, coupled with cost-containment, makes an India increasingly attractive for API outsourcing. In fact, India has been recognized as one of the leading global players with the filing of large number of DMFs and dossier registrations for active pharmaceutical ingredients, with several manufacturing facilities approved by the regulatory authorities of developed countries.
(Source:Pharmabiz.com)

SUMMARY OF OUR BUSINESS

Unless otherwise stated, the financial information of our Company used in this section is derived from our standalone and consolidated restated audited financial statements prepared under Indian GAAP, and restated in accordance with the SEBI ICDR Regulations.

OVERVIEW

We are a pharmaceutical trading and manufacturing organisation having established arrangements with manufacturers of key molecules and we supply the same to pharmaceutical manufacturing companies and ensure for them regular and assured supplies to match their manufacturing schedules. We work in a close collaboration with some of India's leading pharmaceutical companies and formulators and have been appointed as exclusive distributors for some leading pharmaceutical companies.

Our Company, Ajmera Pharmasure Limited, is part of the diversified Ajmera Group, having various businesses in Securities Market, Real Estate, Hospitality and Pharmaceuticals. Our Company was incorporated in 1990 for exporting, importing and supplying bulk drugs, vitamins, steroids and other APIs.

Our Company is engaged in the business of trading of Bulk Drugs – Active Pharmaceutical Ingredients ("API"). Our Company procures in bulk various APIs and supplies the same to formulators and other generic pharmaceutical players in both domestic and international markets. We provide ready finance to API manufacturers by buying their products in bulk and aid the formulators with steady supply. Our Company has exclusive agencies in the state of Maharashtra for various API & Chemical manufacturers like IOL Chemicals & Pharmaceuticals Ltd., Mascot Industries, Magma Industries, Lasa Laboratory Pvt. Ltd. and Dymes Pharmachem Ltd. We cater to over 100-150 customers and our product portfolio offers a diversified product range which includes varied pharmaceutical areas like Non Steroidal Anti – Inflammatory Drugs (NSAIDs), Anti – Infection Drugs, Anti – Oxidants, Anti – Fungal, fertility drugs and Oncology Drugs. We have a storage and logistic facility at Bhiwandi in Mumbai and at Lasudia Mori in Indore, where our goods our stored and supplied to the formulators and other manufacturers as per the order received.

Over the years, we have pursued both organic and inorganic growth strategies to strengthen our presence in the pharmaceutical industry. In the year 2013, we acquired the manufacturing unit of Abhishek Organics Pvt. Ltd. and established it as our subsidiary, re-christening it as Ajmera Organics Pvt. Ltd. ("Ajmera Organics"). Through our subsidiary, we ventured into manufacture of APIs like Ferrous Fumarate (IP / BP / USP / FCC), Fumaric Acid, Bronopol and Povidone Iodine, with concentration on manufacture of Ferrous Fumarate. The manufacturing unit of Ajmera Organics is situated in Tarapore, near Mumbai. The plant currently has a capacity of manufacturing approximately 150 tons per month of Ferrous Fumerate. We are strategically backward integrated with combination of technologies, for instance we are backward integrated in the manufacturing of Fumaric acid which is required for Ferrous Fumarate. This has enabled us to maintain our quality standards and ensured un-interrupted supply of a key raw material ingredient in the manufacturing process. Our Tarapore Unit, (owned by our Subsidiary Ajmera Organics Pvt. Ltd.), is ISO 9001:2008 certified for its scope of activities which include manufacture, supply and export of pharmaceutical ingredients and chemicals.

We have an in-house R&D lab at our manufacturing unit at Tarapore to support technology transfer for new products and on-site process improvement. As on date of this Draft Prospectus, we have three (3) people actively involved in R&D activities. Our R&D capabilities enable us to support our growth strategy by developing new products and processes which enhance our product range. The focus of our R&D has been to strive for continuous process improvements and achieving manufacturing cost efficiencies for existing as well as new APIs and Intermediates. Our expenditures towards R&D activities were ₹ 3.15 lakhs, ₹ 2.71 lakhs and ₹ 1.77 lakhs in F. Y. 2014-15, 2013-14 and 2012-13 respectively, showing an increasing trend of our efforts to invest in R&D.

In the past three (3) years our revenues have increased from ₹ 3,380.62 lakhs in F. Y. 2012-2013 to ₹ 4,857.16 lakhs in F. Y. 2013-14 showing an increase of 43.68%. However, our revenue in F.Y. 2014-15 was ₹ 3,481.99 lakhs showing a 28.31 % decrease over the last year. Our Net Profit before tax for the above mentioned periods are ₹ 138.42 lakhs, ₹ 200.39 lakhs and ₹ 87.03 lakhs.

Our consolidated operational revenues, as restated, were ₹ 3,877.19 lakhs and ₹ 5,240.52 lakhs for the Fiscal 2014 and 2015 respectively. Our consolidated net profits, as restated, were ₹ 198.58 lakhs and ₹ 87.10 lakhs in each of the Fiscals 2014 and 2015 respectively.

OUR STRENGHTS

Experienced Promoters

Our Promoter Company is engaged in the pharmaceutical business and is part of a conglomerate of Ajmera Group. Our Promoters, some of whom who also form part of Board of Directors of our Company, have a proven background and rich experience of approximately 25 years in the pharmaceutical industry. Our Promoter, Mr. Jasmin Ajmera, started his career in pharmaceutical industry in the year 1990; for further details of our Promoter's experience and background, please refer the chapter titled "*Our Promoters and Promoter Group*" on page no. 130 of this Draft Prospectus. Also, our Company is managed by a team of experienced personnel. The team comprises of personnel having technical, operational and business development experience. We believe that our management team's experience and their understanding of the pharmaceutical trading business will enable us to continue to take advantage of both current and future market opportunities. It is also expected to help us in addressing and mitigating various risks inherent in our business, including significant competition, reliance on independent agents, and fluctuations in chemical prices.

Diversified variety of readily available APIs and diversified Customer Base

We provide a variety of APIs & chemicals to our clientele for their customized formulation needs. As a trading company, we in a position to always provide the latest products collected in-house for our customers and also conduct market expansion activities for our suppliers. Our continuous effort and belief in maintaining a healthy relationship with our suppliers ensures adequate inventory at any point. We procure stock and supply a diverse and multi application range of pharmaceutical & chemical products to satisfy the growing requirements of customers. We procure various types of APIs, which are used for varied purposes types of formulations including Anti-inflammatory drugs, Anti – Infection drugs, Anti-oxidants, Fertility drugs, oncology drugs, life saving cardiology drugs, etc. We are a multi product API & chemical trading company with a diverse products including Ibuprofen, Diclofenac Sodium / Potassium, Benfotiamine, Clomifen Citrate, Letrozol, Temoxifen Citrate, Albendazole, Oxyclozanide, etc. For further details, regarding our product portfolio, please refer "*Our Business - Products Portfolio*" on page no. 94 of this Draft Prospectus.

We provide long term credit facility to our customers. Our track record of delivering timely products has helped in forging strong relationships with our customers. We have a well diversified customer base of 100 – 150 customers spread in the state of Maharashtra and Madhya Pradesh and including our export customers. Our customers come from various types of pharmaceutical manufacturers and formulators. This reduces our reliance on few customers only.

Established Marketing Setup

Our Company was incorporated in the year 1990 and we are engaged in the trading of APIs and chemicals since incorporation. Over the years we have established a strong customer base and an unyielding marketing setup. Further, we have many companies forming part of Ajmera Group which are engaged in various other businesses including Real Estate, Hotels, etc. Our group has sufficient marketing expertise and wide marketing network, which is and would be channelled for our business and future expansion, if any.

We have a dedicated marketing division which oversees the marketing of different types of APIs and Chemicals for various geographical locations. We deal in both generic APIs (Ibuprofen, Diclofenac, Benfotiamine, Albendazole, etc.) and high value APIs (Clopidogrel, Letrazole, Temoxifen Citrate, Oxyclozanide, etc.) which need a different marketing approach. Further, our marketing team also works to maintaining the existing clients and acquiring new clients for our manufactured APIs (under our subsidiary company). Our marketing division has well experienced and adequate personnel to handle daily activities and are supervised directly by the Managing Director and Whole time Director.

Strategic Location of Storage Facility and Manufacturing Unit

Our Company has storage facilities of 4410 sq. ft. and 1445 sq. ft. in Bhiwandi (Mumbai) and Indore respectively.

Also, our Subsidiary has about 1,000 Sq. Mtrs or 10,764 sq. ft. of land in Tarapore, near Mumbai (owned by our subsidiary Ajmera Organics Pvt. Ltd.) and has set up its manufacturing unit on this land which is strategically located and is well connected by rail, roads and air with the rest of the country.

- Our storage facility in Bhiwandi is located approximately 20 km to the north-east of Mumbai and 15 km to the north-east of Thane city, and is well connected to NH-3 (Mumbai – Agra Highway) providing easy access to

Mumbai, Thane, Nashik and rest of India. Our facility at Indore is approximately 7 km from NH-3 giving direct access to various routes within the state of Madhya Pradesh.

- The manufacturing unit is located in proximity to the city of Mumbai and is approximately 100 km from Mumbai International Airport. Also, it is about 20 km from the main National Highway No. 8 connecting Northern & Western India.
- The manufacturing unit is situated in MIDC which primarily offers us the advantage of one window licence for our manufacturing facilities, including water, pollution and effluent treatment approvals.
- The major raw materials i.e. ferrous sulphate, ammonia and maleic acid/solution are easily available from the manufacturers located in Maharashtra and Gujarat. Thus, procurement of these raw materials is less time consuming and comparatively cheaper due to savings on time and freight.
- Skilled and semi skilled workers are easily available in Tarapore in view of the large number of pharmaceutical & chemical industries located in the MIDC area of Tarapore.

Thus, the location of all our sites is advantageous to our company in transportation of trading goods, raw materials as well as the finished products.

Compliance with Quality Standards to serve international markets

The Tarapore Unit, (owned by our Subsidiary Ajmera Organics Pvt. Ltd.), is ISO 9001:2008 certified for its scope of activities which include manufacture, supply and export of pharmaceutical ingredients and chemicals. We believe that such a certification would allow us to market our products in regulated and semi – regulated markets.

Consistency in Quality and Service Standards

We follow stringent quality standards in our subsidiary's manufacturing unit to ensure that our products meet the Good Manufacturing Practices standards (GMP Standards). GMP is essential for manufacturing any pharmaceutical product intended for human consumption. These standards ensure the quality consistency of the manufactured product by ensuring that we employ well trained staff, have sufficient premises and equipment for manufacturing.

Our Company has agencies in the State of Maharashtra from various API & Chemical Manufacturers. This has allowed us to procure APIs & chemicals of a fixed grade and quality which in turn is supplied to the formulators and other pharmaceutical manufacturers. Our Company considers this as a major strength as pharmaceutical formulators value consistency in the products supplied to them. We also endeavour to provide an efficient service for our traded goods w. r. t. timeliness of delivery and availability of products on short notice.

Scalable Business Model

Our business model is order driven, and comprises of optimum utilization of our Narrow Width and Wider Width processing facilities, maximum capacity utilization, developing linkages with quality raw material suppliers and achieving consequent economies of scale. We believe that this business model has proved successful and scalable for us in the last few financial years. We can scale upward as per the requirement generated by our Company. The business scale generation is basically due to the development of new markets both international and domestic, by adopting aggressive marketing of the product, innovation in the product range and by maintaining the consistent quality of the product.

Cost effective production and timely fulfilment of orders

Timely fulfilment of the orders is a prerequisite in any industry. Our Company has taken various steps in order to ensure adherence to timely fulfilment and also to achieve greater cost efficiency. These steps include identifying quality raw materials suppliers for ferrous sulphate, Maleic Solution and Ammonia (which forms a bulk of our raw material cost), smooth labour relations, use of an efficient production system and ability to meet large and varied orders due to our capacity and linkages with raw material suppliers. Our Company also has enjoyed good relations with our suppliers of Maleic which is the primary raw material for our Fumaric acid, which in turn is essential for manufacture of our product, and as a consequence has had the benefit of timely supplies of the raw materials which has been one of the major reasons why we have been able to achieve timely fulfilment of orders of our customers. Our Company constantly endeavours to implement an efficient procurement policy for inputs required for production so as to ensure cost efficiency in procurement which in turn results in cost effective production.

OUR STRATEGIES

Our strategic objective is to improve and consolidate our position as a Pharmaceutical Manufacturer and Trader with a continuous growth philosophy. The diagram below represents our continuous growth philosophy being implemented on a day-to-day basis.

Our continuous growth philosophy is being driven with the strategic levers of operational excellence, strengthening existing services, customer satisfaction, ecosystem development, innovation and marketing.

Increasing Operational efficiency

We continue to invest in increasing our operational efficiency throughout the organization. We are addressing the increase in operational output through continuous process improvement, customer service, consistent quality and technology development. Alignment of our people to 'process improvement' through change management and upgrading of skills as required for customer satisfaction is a continuous activity. Awareness of this quality commitment is widespread among all the employees.

Increase our penetration into international markets including regulated markets

We seek to leverage our R&D capabilities to expand into international markets, including regulated markets where our strategy is primarily to become the preferred supplier of APIs and other chemicals to pharmaceutical companies. We intend to initiate dossier filings in the regulated markets and develop long term manufacturing relationships with customers. We have excellent relationship with our existing customers; we would work to strengthen our relationship further with these companies. Our existing manufacturing facility at Tarapore, near Mumbai is an ISO 9001:2008 certified manufacturing unit for APIs complying with GMP standards and we also intend to set-up a manufacturing unit for other APIs, including oncology APIs.

Geographical expansion

Our Company currently caters to over 100 – 150 customers across the State of Maharashtra. As part of our growth strategy, we intend to spread our trading reach to northern and southern parts of India and have identified high pharma growth states in these regions. While Andhra Pradesh had taken a lead in the southern region to establish a pharmaceutical and biotechnology hub in the country, many other states in the north are following its lead. Northern states like Himachal Pradesh and Uttarakhand have done exceptionally well to build a concrete industrial base for pharma sector. Accordingly, we have, as an initial step, identified cities like Baddi (Himachal Pradesh) and Roorkee (Uttarakhand) in northern India and Hyderabad (Andhra Pradesh / Telangana) in southern India, where we intend to expand the reach of our products. Gujarat also has developed as a pharmaceutical hub and we intend to expand our trade network under the Gujarat Industrial Development Corporation (GIDC)

Expand our manufacturing scope

Our subsidiary currently has a manufacturing unit which has capabilities for manufacture of Ferrous Fumarate, Fumaric Acid, Bronopol, and Povidone Iodine. We intend to further expand our manufacturing scope by manufacturing of Bulk Drugs including various APIs and Excipients under our Company. Our Company has identified a piece of land in Tarapore, near our existing unit (owned by Ajmera Organics Pvt. Ltd.), for setting up the new manufacturing unit and is under negotiations for finalising the same.

Our Company believes that expanding our scope to manufacturing other APIs, including oncology APIs will be aided by our existing customer base, long standing trade relations and our in-house R&D facilities. We intend to tap various geographical markets which will be possible only once we have a broad product base.

Focusing on R&D capabilities

With the growing scale of business, our Company intends to increase our focus on R&D facilities. Our Company intends to reap the benefit of R&D not only in developing custom and consistent manufacturing process, but also to synthesise efficient and technologically advanced products. Our Company believes that its focus on R&D will result in development of high quality products and processes and will form the basis for various patents, which in turn will give our Company a significant boost in brand value.

Our increased R&D effort will be aimed at pre formulation studies, prototype development, scale-up, optimization and technology transfer from unstable chemicals to successful API development.

SUMMARY OF FINANCIAL INFORMATION

The following summary financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations 2009 and restated as described in the Peer Review Auditor's Report of M/s. V. N. Purohit & Co., Chartered Accountants dated September 29, 2015 in the section titled "Financial Statements" beginning on page no. 147 of this Draft Prospectus. The summary financial information presented below should be read in conjunction with our standalone and consolidated restated financial statements for the year ended March 31, 2011, 2012, 2013, 2014 and 2015 including the notes thereto and the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page no. 189 of this Draft Prospectus.

SUMMARY OF CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	As on March 31, 2015	As on March 31, 2014
EQUITY AND LIABILITIES		
Shareholder's Funds		
a) Share Capital	50.30	50.30
b) Reserves and surplus	1,098.47	1,010.56
	1,148.77	**1,060.86**
Minority Interest	**17.91**	**18.72**
Non-Current Liabilities		
a) Long Term borrowings	138.66	182.01
b) Deferred Tax Liabilities (Net)	0.00	1.47
c) Other Long Term liabilities	0.00	0.00
	138.66	**183.48**
Current Liabilities		
a) Short-Term Borrowings	747.77	995.97
b) Trade Payables	144.00	97.25
c) Other Current Liabilities	9.89	23.65
d) Short-Term Provisions	151.58	115.77
	1,053.24	**1,232.64**
TOTAL	**2,358.58**	**2,495.70**
ASSETS		
Non - Current Assets		
a) Fixed Assets		
i.) Tangible Assets	154.34	109.26
ii.) Intangible Assets	22.50	22.50
b) Non Current (Long -term) Investments	17.65	17.65
c) Deferred Tax	3.95	0.00
d) Long-Term Loans and Advances	327.96	431.86
e) Other Non-Current Assets	0.00	0.00
	526.40	**581.27**
Current Assets		
a) Inventories	578.76	497.73
b) Trade Receivables	741.21	1,187.78
c) Cash and Cash equivalents	(23.15)	65.40
d) Short-Term Loans and Advances	517.76	128.84
e) Other Current Assets	17.61	34.67
	1,832.19	**1,914.42**
TOTAL	**2,358.58**	**2,495.70**

SUMMARY OF CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
REVENUE:		
Revenue from Operations	3,730.54	5,079.73
Other Income	146.65	160.79
Total revenue	**3,877.19**	**5,240.52**
EXPENSES:		
Cost of materials consumed	3,329.51	4,429.45
Changes in inventories of finished goods , work -in - progress and stock - in trade	(81.03)	(20.18)
Employee benefits expense	96.27	62.00
Finance cost	112.48	91.10
Depreciation and amortization expense	34.15	14.68
Other expenses	255.36	363.64
Total expenses	**3,746.74**	**4,940.69**
Net Profit / (Loss) before Tax	**130.45**	**299.83**
Less: Provision for Tax		
Current tax as per income tax	48.78	102.28
Deferred tax	(5.43)	(1.03)
Total	**43.35**	**101.25**
Net Profit / (Loss) for the period after tax but before extra ordinary items	**87.10**	**198.58**
Extraordinary Items	0.00	0.00
Net Profit / (Loss) for the Period	**87.10**	**198.58**

SUMMARY OF CONSOLIDATED CASH FLOW STATEMENT, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Cash Flow From Operating Activities		
Net Profit Before Tax	**130.45**	**299.83**
Adjustments for :		
Depreciation/Amortisation	34.15	14.68
Interest Received	(74.50)	(104.40)
Interest Paid	112.48	91.10
Operating Profit Before Working Capital Adjustment	**202.58**	**301.21**
Adjustment for Changes in Working Capital		
Trade and other payable	46.75	(12.24)
Inventories	(81.03)	(153.20)
Trade and other Receivables	446.57	(596.98)
Short Term Loans & Advances	(266.46)	89.89
Other Current Assets	(83.55)	(26.68)
Other Short Term Provision	12.42	8.98
Other Current Liabilities	(13.76)	(7.73)
Cash Flow Generated from Operations	**263.52**	**(396.75)**
Income Tax Paid	25.39	178.24
Net Cash flow from Operating activities (A)	**238.13**	**(574.99)**
Cash Flow From Investing Activities		
(Addition)/Reduction of Fixed Assets (including WIP)	(79.20)	(65.19)
(Addition) / Reduction of Investments	0.00	0.79
Other Non-Current Assets	0.00	0.00
Long Term Loans & Advances	82.05	331.93
Other Long Term Liabilities	0.00	0.00
Interest Received	74.50	104.40
Net Cash Flow from Investing Activities (B)	**77.35**	**371.93**
Cash Flow From Financing Activities		
Proceeds from/ (Repayment of) Borrowing	(291.55)	284.98
Proceeds from Share Capital (including Share Premium)	0.00	0.00
Interest Paid	(112.48)	(91.10)
Net Cash Flow From Financing Activities (C)	**(404.03)**	**193.88**
Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	**(88.55)**	**(9.18)**
Cash & Cash equivalent at the beginning of the year	65.40	74.58
Cash & Cash Equivalent at the end of the year	**(23.15)**	**65.40**

SUMMARY OF STANDALONE STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	As on March 31,				
	2015	2014	2013	2012	2011
EQUITY AND LIABILITIES					
Shareholder's Funds					
a) Share Capital	50.30	50.30	50.30	50.30	50.30
b) Reserves and surplus	1,089.74	1,002.71	802.32	663.90	601.00
	1,140.04	**1,053.01**	**852.62**	**714.20**	**651.30**
Non-current Liabilities					
a) Long Term borrowings	34.87	2.95	5.03	0.30	(0.02)
b) Deferred Tax Liabilities (Net)	0.00	0.00	0.00	0.17	0.17
c) Other Long Term liabilities	0.00	0.00	0.00	0.00	0.00
	34.87	**2.95**	**5.03**	**0.47**	**0.15**
Current Liabilities					
a) Short-Term Borrowings	747.77	994.98	887.97	256.06	403.63
b) Trade Payables	56.15	28.05	109.49	(88.96)	(86.36)
c) Other Current Liabilities	9.32	21.91	31.08	14.82	17.00
d) Short-Term Provisions	124.06	97.75	182.88	136.92	126.02
	937.30	**1,142.69**	**1,211.42**	**318.84**	**460.28**
TOTAL	**2,112.21**	**2,198.64**	**2,069.08**	**1,033.51**	**1,111.74**
ASSETS					
Non - Current Assets					
a) Fixed Assets					
i.) Tangible Assets	63.43	40.59	49.57	45.35	54.30
b) Deferred Tax Asset (Net)	6.28	1.46	0.66	0.00	0.00
c) Non Current (Long -term) Investments	84.20	84.20	18.44	44.34	33.64
d) Long-Term Loans and Advances	362.96	467.47	802.26	105.63	110.73
e) Other Non-Current Assets	0.00	0.00	0.00	0.00	0.00
	516.87	**593.73**	**870.92**	**195.32**	**198.67**
Current Assets					
a) Inventories	414.97	360.92	344.53	304.82	278.10
b) Trade Receivables	597.20	1,094.83	590.80	387.45	551.45
c) Cash and Cash equivalents	3.29	38.25	74.58	5.84	15.78
d) Short-Term Loans and Advances	462.18	78.18	180.26	139.75	67.37
e) Other Current Assets	117.71	32.74	7.99	0.34	0.37
	1,595.34	**1,604.92**	**1,198.16**	**838.19**	**913.07**
TOTAL	**2,112.21**	**2,198.64**	**2,069.08**	**1,033.51**	**1,111.74**

SUMMARY OF STANDALONE STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
REVENUE:					
Revenue from Operations	3,331.89	4,696.57	3,278.23	1,731.97	2,694.28
Other Income	150.10	160.59	102.39	93.17	548.23
Total revenue	**3,481.99**	**4,857.16**	**3,380.62**	**1,825.14**	**3,242.52**
EXPENSES:					
Cost of materials consumed	3,027.04	4,115.23	2,931.59	1,644.11	2,337.54
Changes in inventories of finished goods , work -in - progress and stock - in trade	(54.05)	(16.39)	(39.72)	(26.71)	159.90
Employee benefits expense	39.16	48.38	32.34	26.95	28.76
Finance cost	100.48	84.52	50.59	29.75	33.30
Depreciation and amortization expense	24.77	9.18	10.05	9.96	4.50
Other expenses	214.52	318.63	207.65	78.18	266.35
Total expenses	**3,351.92**	**4,559.56**	**3,192.50**	**1,762.24**	**2,830.34**
Net Profit / (Loss) before Tax	**130.07**	**297.60**	**188.12**	**62.90**	**412.17**
Less: Provision for Tax					
Current tax as per income tax	47.86	98.01	50.53	10.87	82.09
MAT Credit Receivable	0.00	0.00	0.00	(10.87)	(82.09)
Deferred tax	(4.82)	(0.80)	(0.83)	0.00	0.39
Total	**43.04**	**97.21**	**49.70**	**0.00**	**0.39**
Net Profit / (Loss) for the period after tax but before extra ordinary items	**87.03**	**200.39**	**138.42**	**62.90**	**411.79**
Extraordinary Items	0.00	0.00	0.00	0.00	0.00
Net Profit / (Loss) for the period after tax and after extra ordinary items available for appropriation	**87.03**	**200.39**	**138.42**	**62.90**	**411.79**

SUMMARY OF STANDALONE CASH FLOW STATEMENT, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Cash Flow From Operating Activities					
Net Profit Before Tax	130.07	297.60	188.12	62.90	412.17
Adjustments for :					
Depreciation/Amortisation	24.77	9.18	10.05	9.96	4.50
Dividend Received	0.00	0.00	0.07	0.07	0.31
Interest Received	79.65	104.40	77.90	12.66	14.58
Interest Paid	100.48	84.52	50.59	29.75	33.30
Operating Profit Before Working Capital Adjustment	**175.67**	**286.91**	**170.79**	**89.88**	**435.08**
Adjustment for Changes in Working Capital					
Trade and other payable	28.10	(81.45)	198.46	(2.60)	(374.21)
Inventories	(54.05)	(16.39)	(39.72)	(26.71)	159.90
Trade and other Receivables	497.63	(504.03)	(203.35)	164.01	156.14
Short Term Loans & Advances	(362.15)	140.55	(35.83)	(83.26)	(101.25)
Other Current Assets	(84.96)	(24.75)	(7.65)	0.03	0.95
Other Short Term Provisions	(1.17)	1.44	0.10	0.03	(0.00)
Other Current Liabilities	(12.59)	(9.17)	16.26	(2.17)	(1.94)
Cash Flow Generated from Operations	**186.49**	**(206.89)**	**99.06**	**139.21**	**274.68**
Income Tax and Fringe Benefit Tax Paid	20.38	184.58	4.68	(10.87)	(82.09)
Net Cash flow from Operating activities (A)	**166.10**	**(391.47)**	**94.38**	**150.08**	**356.77**
Cash Flow From Investing Activities					
(Purchase)/Sale of Fixed Assets (including WIP)	(47.61)	(0.21)	(14.26)	(1.01)	(51.05)
(Purchase) / Sale of Investments	0.00	(65.76)	25.90	(10.70)	18.09
Long Term Loans & Advances	82.66	296.32	(701.31)	15.98	(19.42)
Dividend Received	0.00	0.00	0.07	0.07	0.31
Interest Received	79.65	104.40	77.90	12.66	14.58
Net Cash Flow from Investing Activities (B)	**114.70**	**334.74**	**(611.70)**	**17.00**	**(37.50)**
Cash Flow From Financing Activities					
Proceeds from/ (Repayment of) Borrowing	(215.29)	104.92	636.65	(147.25)	(316.01)
Proceeds from Share Capital (including Share Premium)	0.00	0.00	0.00	0.00	0.00
Interest Paid	(100.48)	(84.52)	(50.59)	(29.75)	(33.30)
Net Cash Flow From Financing Activities (C)	**(315.77)**	**20.40**	**586.06**	**(177.00)**	**(349.31)**
Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	**(34.96)**	**(36.33)**	**68.73**	**(9.92)**	**(30.04)**
Cash & Cash equivalent at the beginning of the year	38.25	74.58	5.84	15.78	45.82
Cash & Cash Equivalent at the end of the year	**3.29**	**38.25**	**74.58**	**5.84**	**15.78**

THE OFFER

PRESENT OFFER IN TERMS OF THIS DRAFT PROSPECTUS

Equity Shares Offered[(1)]: Present Offer of Equity Shares by our Company[(2)]	15,04,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 85 per share aggregating ₹ 1,278.40 lakhs
Of which:	
Offer Reserved for the Market Makers	80,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 85 per share aggregating ₹ 68.00 lakhs
Net Offer to the Public	14,24,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 85 per share aggregating ₹ 1,210.40 lakhs

Equity Shares outstanding prior to the Offer	55,33,000 Equity Shares
Equity Shares outstanding after the Offer	55,33,000 Equity Shares
Objects of the Offer	Please refer the chapter titled "*Objects of the Offer*" on page no. 62 of this Draft Prospectus

(1) This Offer is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details, please refer the section titled "Offer Related Information" beginning on page no. 228 of this Draft Prospectus.

(2) The Equity Shares offered by the Selling Shareholders in the Offer have been held by them for a period of at least one year prior to filing of the Draft Prospectus with BSE. The Offer has been authorised by the Selling Shareholders as follows: 5,83,000 Equity Shares offered by Richie Rich Resorts Pvt. Ltd. authorised by the board resolution dated July 13, 2015; 1,10,000 Equity Shares offered by Mr. Ashish Ajmera; 55,000 Equity Shares offered by Mr. Alpesh Ajmera; 1,65,000 Equity Shares offered by Mr. Manish Ajmera; 1,10,000 Equity Shares offered by Mr. Jiten Ajmera; 3,08,000 Equity Shares offered by Kishore H. Ajmera (HUF); 85,000 Equity Shares offered by Mrs. Minal M. Ajmera; and 88,000 Equity Shares offered by Mr. Nitin P. Ajmera; as per their respective consent letters dated July 15, 2015.

GENERAL INFORMATION

Our Company was incorporated as Ajmera Trading and Impex Private Limited on May 04, 1990 under the Companies Act, 1956 in the State of Maharashtra. The name of our Company was changed to Ajmera Pharmasure Private Limited and the fresh certificate of incorporation dated June 17, 2011 was received from the Registrar of Companies, Maharashtra, Mumbai. The status of our Company was changed to a public limited company vide special resolution dated May 05, 2015 and the name of our Company was further changed to Ajmera Pharmasure Limited. The fresh certificate of incorporation consequent to the change of name was granted to our Company on June 03, 2015, by the Registrar of Companies, Maharashtra, Mumbai.

Company Name	Ajmera Pharmasure Limited
Registered Office	63/67, Carmellos Building, 4th Floor, PathakWadi Road, Mumbai – 400 002 Tel No.: +91 – 22 – 40628888 Fax No.: +91 – 22 – 40628989
Registration Number	11-56421
CIN No	U51109MH1990PLC056421
Address of Registrar of Companies	100, Everest, Marine Drive, Mumbai – 400 002 Tel No.: +91 – 22 – 22846955 Fax No.: +91 – 22 – 22811977
Offer Program	Offer Open on: [●] Offer Closes on: [●]
Designated Stock Exchange	SME Platform of BSE Limited
Website	www.ajmera.co.in/pharmasure
Email	apl_ipo@ajmera.co.in

BOARD OF DIRECTORS

As per the applicable provisions of the Companies Act and our Articles, our Company cannot have less than 3 and more than 12 Directors. We currently have 5 Directors.

Sr. No.	Name, Address, Age	Status	Designation	DIN
1.	Mr. Deepak Shah **Address:** 175 – Manekbaug Society, Ambawadi, Ahmedabad – 380 015 **Age:** 51	Non – Executive and Independent Director	Independent Chairman	07238961
2.	Mr. Jasmin Ajmera **Address:** 24, Aryan Mahal, C Road, 5th Floor, Churchgate, Mumbai – 400 020 **Age:** 52	Executive and Non – Independent Director	Managing Director	00517576
3.	Mr. Manish Ajmera **Address:** 29, Aryan Mahal, C Road, 5th Floor, Churchgate, Mumbai – 400 020 **Age**: 51	Executive and Non – Independent Director	Whole time Director	00032620
4.	Mrs. Minal Ajmera **Address:** 29, Aryan Mahal, C Road, 5th Floor, Churchgate, Mumbai – 400 020 **Age:** 50	Non-Executive and Non – Independent Director	Director	00068613
5.	Mr. Utpal Desai **Address:** Bharat Kunj, 8th Road, Santacruz (E), Mumbai – 400 055 **Age**: 61	Non – Executive and Independent Director	Independent Director	06931523

For further details of our Directors, see the section titled "*Our Management*" on page no. 118 of this Draft Prospectus.

COMPANY SECRETARY AND COMPLIANCE OFFICER

Our company has appointed Ms. Jinkle Khimsaria as a Trainee Company Secretary. Though she has completed her CS examinations in November 2014, she is yet to complete her training as mandated by the Institute of Company

Secretaries of India (ICSI) and hence she has not received her registration number from ICSI. Once she gets the registration number, we propose to appoint her as the full time Company Secretary and Compliance Officer by filing the relevant RoC form.

CHIEF FINANCIAL OFFICER

Mr. Jasmin Ajmera
63/67, Carmellos Building, 4th Floor, PathakWadi Road, Mumbai – 400 002
Maharashtra, India
Tel: +91 – 22 – 40628856
Fax: + 91 – 22 – 40628989
Email: jasmin@ajmera.co.in

Investors can contact the Chief Financial Officer or the Registrar in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account and refund orders.

All grievances relating to the Offer may be addressed to the Registrar to the Offer, giving full details such as name, address of applicant, application number, number of Equity Shares applied for, amount paid on application and designated branch.

All grievances relating to the ASBA process may be addressed to the Registrar to the Offer with a copy to the relevant SCSBs with whom the Application Form was submitted. In addition to the information indicated above, the ASBA applicant should also specify the Designated Branch or the collection centre of the SCSB where the ASBA Application Form was submitted by the ASBA Applicant.

OFFER MANAGEMENT TEAM

LEAD MANAGER

ARYAMAN FINANCIAL SERVICES LIMITED
60, Khatau Building, Gr. Floor,
Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.),
Fort, Mumbai – 400 001
Tel. No.: +91 – 22 – 2261 8264
Fax No.: +91 – 22 – 2263 0434
Website: www.afsl.co.in
Email: ipo@afsl.co.in
Investor Grievance Email: feedback@afsl.co.in
Contact Person: Mr. Pranav Nagar / Mr. Shreyas Shah
SEBI Registration No.: INM000011344

REGISTRAR TO THE OFFER

KARVY COMPUTERSHARE PRIVATE LIMITED[1]
Karvy Selenium, Tower B, Plot No. 31 & 32,
Gachibowli, Financial District, Nanakramguda.
Hyderabad – 500 032, India
Toll Free No.: 1800 3454 001
Tel No.: +91 – 40 – 6716 2222
Fax No.: +91 – 40 – 2343 1551
Email: ajmera.ipo@karvy.com
Website: https:\\karisma.karvy.com
Contact Person: Mr. M. Murali Krishna
SEBI Registration No.: INR000000221

(1) For all Offer related queries and for redressal of complaints, investors may also write to the Registrar to the Offer or the Lead Manager.

LEGAL COUNSEL TO THE OFFER

M/s Kanga & Company (Advocates & Solicitors)
Readymoney Mansion,
43, Veer Nariman Road,
Mumbai- 400 001
Tel No.: +91 – 22 – 66230000, +91 – 22 –66332288
Fax No.: +91 – 22 – 66339656 / 57
Contact Person: Mr. Chetan Thakkar
Email: chetan.thakkar@kangacompany.com
Website: www.kangacompany.com

STATUTORY AUDITOR

Rahul Jimulia & Associates, Chartered Accountants
D-15, Ratnadeep Building,
60 Feet Road, Bhayandar West,
Thane – 401 101
Tel No.: +91 – 9820743509
Fax No.: +91 – 22 – 8147307
Email: carahuljimulia@gmail.com
Contact Person: Mr. Rahul C. Jimulia

PEER REVIEW AUDITOR

M/s. V. N. Purohit & Co., Chartered Accountants
214, New Delhi House,
27, Barakhamba Road,
New Delhi - 110001
Tel No.: +91 – 11 – 43596011 / 98102 63110
Fax No.: +91 – 11 – 4359 6011
Email: vnpdelhi@vnpaudit.com
Contact Person: Mr. O. P. Pareek
Website: www.vnpaudit.com

BANKERS TO OUR COMPANY

HDFC BANK LIMITED
386, V. S. Marg, Prabhadevi,
Mumbai – 400 025
Tel. No.: +91 – 93224 09075
Fax No.: +91 – 22 – 2431 6905
Contact Person: Mr. Abhijeet H. Bhujbalrao
Email: abhijeet.bhujbalrao@hdfcbank.com
Website: www.hdfcbanbk.com

[●] [●]

BANKERS TO THE OFFER AND ESCROW COLLECTION BANKS

[●]

REFUND BANKER

[●]

BROKERS TO THIS OFFER

All the members of the recognised stock exchanges would be eligible to act as brokers to the Offer in consultation with the Lead Manager.

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 http://www.sebi.gov.in. For details on designated branches of SCSBs collecting the ASBA Application Form, please refer the above mentioned SEBI website.

EXPERT OPINION

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Peer Review Auditor namely, M/s. V. N. Purohit & Co., Chartered Accountants and M/s. Rahul Jimulia & Associates, Chartered Accountants, to include its name as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as "Expert" as defined under section 2(38) of the Companies Act, 2013 in respect of the reports on the Restated Financial Statements dated September 29, 2015 and the Statement of Tax Benefits dated September 29, 2015, issued by them respectively, included in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

CREDIT RATING

As this Offer is an offer for sale of the Equity Shares, there is no credit rating for this Offer.

TRUSTEES

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

MONITORING AGENCY

The Offer being an offer for sale, our Company will not receive any proceeds from the Offer and is not required to appoint a monitoring agency for the Offer.

INTER-SE ALLOCATION OF RESPONSIBILITIES

Aryaman Financial Services Limited is the Sole Lead Manager to this Offer, and hence is responsible for all the offer management related activities.

UNDERWRITING AGREEMENT

This Offer is 100% Underwritten and the Underwriting agreement is dated September 21, 2015. 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 specified securities being offered through this Offer:

Details of the Underwriter	No. of Shares Underwritten	Amount Underwritten (₹ in lakhs)	% of the Total Offer Size Underwritten
Aryaman Financial Services Limited	14,24,000	1,210.40	94.68%
Aryaman Capital Markets Limited	80,000	68.00	5.32%
Total	**15,04,000**	**1,278.40**	**100.00%**

As per Regulation 106P (2) of SEBI (ICDR) Regulations, 2009, the Lead Manager has agreed to underwrite to a minimum extent of 15% of the Offer out of its own account.

In the opinion of the Board of Directors (based on 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 above – mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

Details of the Market Making Arrangement for this Offer

Our Company, the Selling Shareholders and the Lead Manager, Aryaman Financial Services Limited have entered into an agreement dated September 20, 2015 with Aryaman Capital Markets Limited, a Market Maker registered with the SME Platform of BSE in order to fulfil the obligations of Market Making. The Details of the Market Maker are as under:

MARKET MAKER

ARYAMAN CAPITAL MARKETS LIMITED
60, Khatau Building, Gr. Floor,
Alkesh Dinesh Modi Marg, Opp. P. J. Tower (BSE Bldg.),
Fort, Mumbai – 400 001
Tel. No.: +91 – 22 – 2261 8635
Fax No.: +91 – 22 – 2263 0434
Email: aryacapm@gmail.com
Contact Person: Mr. Harshad Dhanawade
SEBI Registration No.: INB011465938
Market Maker Reg. No.: SMEMM0651421122012

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

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.

2. The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

3. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and BSE SME Platform from time to time.

4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.

5. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

6. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.

7. The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.

8. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems or any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

9. The Market Maker shall have the right to terminate said arrangement by giving a three months notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker.

   In case of termination of the above mentioned Market Making Agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another

Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations, 2009. Further the Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time.

The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

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

11. **Punitive Action in case of default by Market Maker**: BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

12. **Price Band and Spreads**: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 25,000 lakhs, the applicable price bands for the first day shall be:

    a. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
    b. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.
    c. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading.

The following spread will be applicable on the BSE SME Exchange/ Platform:

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

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

CAPITAL STRUCTURE

Our Equity Share capital before the Offer and after giving effect of the Offer, as at the date of this Draft Prospectus, is set forth below:

(in ₹, except share data)

		Aggregate Nominal Value	Aggregate Value at Offer Price
A.	**Authorised Capital**		
	60,00,000 Equity Shares of face value of ₹ 10 each	6,00,00,000	N. A.
B.	**Issued, Subscribed and Paid-Up Equity Capital before the Offer**		
	55,33,000 Equity Shares of ₹ 10 each fully paid up	5,53,30,000	N. A.
C.	**Present Offer in terms of this Draft Prospectus**[1]		
	Offer for Sale (OFS) of 15,04,000 Equity Shares of ₹ 10 each at an Offer Price of ₹ 85 per share	1,50,40,000	12,78,40,000
	Which comprises:		
	80,000 Equity Shares of ₹ 10 each at a price of ₹ 85 per Equity Share reserved as Market Maker Portion	8,00,000	68,00,000
	14,24,000 (Net Offer to Public) Equity Shares of ₹ 10 each at a price of ₹ 85 per Equity Share to the Public	1,42,40,000	12,10,40,000
	Of which:		
	7,12,000 Equity Shares of ₹ 10 each at a price of ₹ 85 per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs	71,20,000	6,05,20,000
	7,12,000 Equity Shares of ₹ 10 each at a price of ₹ 85 per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs	71,20,000	6,05,20,000
D.	**Issued, Subscribed and Paid-Up Capital after the Offer**		
	55,33,000 Equity Shares of ₹ 10 each		55,330,000
E.	**Securities Premium Account**		
	Before the Offer (as on March 31, 2015)		Nil
	After the Offer		Nil

[1] *The Equity Shares offered by the Selling Shareholders in the Offer have been held by them for a period of at least one year prior to filing of the Draft Prospectus with BSE. The Offer has been authorised by the Selling Shareholders as follows: 5,83,000 Equity Shares offered by Richie Rich Resorts Pvt. Ltd. authorised by the board resolution dated July 13, 2015; 1,10,000 Equity Shares offered by Mr. Ashish Ajmera; 55,000 Equity Shares offered by Mr. Alpesh Ajmera; 1,65,000 Equity Shares offered by Mr. Manish Ajmera; 1,10,000 Equity Shares offered by Mr. Jiten Ajmera; 3,08,000 Equity Shares offered by Kishore H. Ajmera (HUF); 85,000 Equity Shares offered by Mrs. Minal M. Ajmera; and 88,000 Equity Shares offered by Mr. Nitin P. Ajmera; as per their respective consent letters dated July 15, 2015.*

Changes in the Authorised Capital

Since incorporation, the capital structure of our Company has been altered in the following manner:

Date of Change/Meeting	Existing Capital		Additional Capital		Total Capital		Remarks
	No. of Shares	₹ / Share	No. of Shares	₹ / Share	No. of Shares	₹ / Share	
On Incorporation	-	-	10,000	100	10,000	100	Incorporation
April 16, 1996	10,000	100	40,000	100	50,000	100	Increase
September 03, 2003	50,000	100	1,00,000	100	1,50,000	100	Increase
May 05, 2015	Sub Division of the Face Value of the Equity Shares from **₹ 100 to ₹ 10 each**				15,00,000	10	Share Split
May 05, 2015	15,00,000	10	45,00,000	10	60,00,000	10	Increase

NOTES TO CAPITAL STRUCTURE

1. **Share Capital History of our Company**

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid-up Equity Share capital (₹)	Cumulative Share Premium (₹)
Incorporation	4	100	100	Cash	Subscription to MoA	4	400	Nil
September 01, 1995	9,996	100	100	Cash	Further Allotment	10,000	10,00,000	Nil
June 15, 1996	35,000	100	100	Cash	Further Allotment	45,000	45,00,000	Nil
March 27, 2010	5300	100	1000	Cash	Further Allotment	50,300	50,30,000	47,70,000
May 05, 2015	Sub Division of the Face Value of the Equity Shares from **₹ 100 to ₹ 10 each**[1]					5,03,000	50,30,000	47,70,000
June 06, 2015	50,30,000	10	-	Other than Cash	Bonus Allotment[2]	55,33,000	5,53,30,000	Nil

[1] *Pursuant to EGM held on May 05, 2015, our Company has split the Equity Shares of face value ₹ 100/- each to Equity Shares of face value ₹ 10/- each.*

[2] *Pursuant to EGM held on May 05, 2015, our Company has issued 50,30,000 Bonus Shares in the ratio of 10:1 i.e. 10 equity shares for every 1 equity share held to the shareholders, by way of capitalization of securities premium and profit & loss account.*

2. Our Company has not issued Equity Shares for consideration other than cash except for the Equity Shares as mentioned under:

Date of Allotment	Name of the Allottees	No. of Equity Shares	FV (₹)	Nature of Allotment	Benefits Accrued to the Company
June 06, 2015	Allotted to all the Shareholders of the Company as on the date of allotment	50,30,000	10	Other than cash	Expansion of capital

3. Our Company has not allotted any Equity Shares under sections 391 – 394 of the Companies Act 1956.

4. Our Company has not revalued its assets since inception and hence there are no revaluation reserves.

5. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Plan and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed offer. 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 Employee Stock Purchase Plan) Guidelines 1999 / SEBI (Share Based Employee Benefits) Regulations, 2014.

6. Our Company has not allotted Equity Shares during preceding one year from the date of the Draft Prospectus which may be lower than the Offer price except as mentioned below:

Date of Allotment	Name of the Allottees	Number of Shares	Face Value (₹)	Issue Price (₹)	Reasons
June 06, 2015	Allotted to all the Shareholders of the Company as on the date of allotment	50,30,000	10	-	Bonus Allotment

7. We presently do not intend or propose to alter our capital structure for a period of six months from the Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise. Additionally, if we enter into acquisitions or joint ventures, we may, subject to necessary approvals, consider using our Equity Shares as currency for acquisitions or participation in such joint

ventures we may enter into and/or we may raise additional capital to fund accelerated growth, subject to the compliance with the relevant guidelines/regulations etc.

8. **Details of the Build-up of Promoters' shareholding and Lock - in**

The Equity Shares held by the Promoters were acquired / allotted in the following manner:

Date of Allotment /Transfer	Nature of Transaction	Nature of Consideration	No of Equity Shares	FV (₹)	Issue / Transfer Price (₹)	Cumulative No. Of Shares	% of Pre Offer Paid – Up Capital	% of Post Offer Paid – Up Capital
Mr. Jasmin Ajmera								
Incorporation	MoA	Cash	1	100	100	1		
September 01, 1995	Further allotment	Cash	149	100	100	150		
May 07, 2009	Transfer	Cash	1,000	100	100	1,150		
August 11, 2011	Transfer	Cash	1,500	100	100	2,650		
May 05, 2015	Sub Division of the Face Value of the Equity Shares from ₹ **100 to ₹ 10 each**					26,500	0.48	0.48
June 06, 2015	Bonus Allotment	Other than Cash	2,65,000	10	0	2,91,500	5.27	5.27
Mr. Manish Ajmera								
Incorporation	MoA	Cash	1	100	100	1		
September 01, 1995	Further allotment	Cash	149	100	100	150		
May 07, 2009	Transfer	Cash	1,000	100	100	1,150		
January 21, 2013	Transfer	Cash	800	100	100	1,950		
May 05, 2015	Sub Division of the Face Value of the Equity Shares from ₹ **100 to ₹ 10 each**					19,500	0.35	0.35
June 06, 2015	Bonus Allotment	Other than Cash	1,95,000	10	0	2,14,500	3.88	0.89(1)
Mrs. Avani Ajmera								
September 01, 1995	Allotment	Cash	150	100	100	150		
June 15, 1996	Further allotment	Cash	500	100	100	650		
January 31, 2013	Transfer	Cash	1,500	100	100	2,150		
May 05, 2015	Sub Division of the Face Value of the Equity Shares from ₹ **100 to ₹ 10 each**					21,500		
June 06, 2015	Bonus Allotment	Other than Cash	2,15,000	10	0	2,36,500	4.27	4.27
Mr. Harsh Ajmera								
May 07, 2009	Transfer	Cash	1,000	100	100	1,000	0.02	0.02
May 11, 2012	Transfer	Cash	1,000	100	100	2,000	0.04	0.04
May 05, 2015	Sub Division of the Face Value of the Equity Shares from ₹ **100 to ₹ 10 each**					20,000	0.36	0.36
June 06, 2015	Bonus Allotment	Other than Cash	2,00,000	10	0	2,20,000	3.98	3.98
Jasmin Ajmera (HUF)								
August 11,	Transfer	Cash	1,000	100	100	1,000	0.02	0.02

Date of Allotment /Transfer	Nature of Transaction	Nature of Consideration	No of Equity Shares	FV (₹)	Issue / Transfer Price (₹)	Cumulative No. Of Shares	% of Pre Offer Paid – Up Capital	% of Post Offer Paid – Up Capital
2011								
May 05, 2015	Sub Division of the Face Value of the Equity Shares from ₹ **100 to ₹ 10 each**					10,000	0.18	0.18
June 06, 2015	Bonus Allotment	Other than Cash	1,00,000	10	0	1,10,000	1.99	1.99
Manish Ajmera (HUF)								
August 11, 2011	Transfer	Cash	2,500	100	100	2,500	0.05	0.05
May 05, 2015	Sub Division of the Face Value of the Equity Shares from ₹ **100 to ₹ 10 each**					25,000	0.45	0.45
June 06, 2015	Bonus Allotment	Other than Cash	2,50,000	10	0	2,75,000	4.97	4.97

[(1)] *Out of the total shareholding of 2,14,500 equity shares, Mr. Manish Ajmera is offering 1,65,000 equity shares through this Draft Prospectus.*

Our Promoters have confirmed to the Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal / own funds and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.

All the Equity Shares held by the Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares.

9. Our Promoters have not pledged any of their shares.

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

11. There has been no financing arrangement whereby the Directors and/ or their relatives have financed the purchase of Equity Shares of our Company, by any other person during the period of six months immediately preceding the date of filing of this Draft Prospectus with the SEBI.

12. **Promoters' Contribution and Lock-in**

a) **Details of pre-Offer Equity Share capital locked in for three year**s

Pursuant to the Regulation 32(1) and 36(a) of the SEBI (ICDR) Regulations, an aggregate of 20% of the Post-Offer Equity Share Capital held by our Promoters shall be considered as promoters' contribution ("Promoters' Contribution") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

The details of the Promoter's Equity Shares proposed to be locked-in for a period of three years are as follows:

Name of Promoter	No. of Shares locked in[(1)]	As a % of Post Offer Share Capital
Mr. Jasmin Ajmera	2,91,500	5.27%
Mrs. Avani Ajmera	2,36,500	4.27%
Mr. Harsh Ajmera	2,20,000	3.98%
Jasmin K. Ajmera (HUF)	1,10,000	1.99%
Manish K. Ajmera (HUF)	2,75,000	4.97%
Total	**11,33,000**	**20.48%**

[(1)] *For details on the date of Allotment of the above Equity Shares, the nature of Allotment, face value and the price at which they were acquired, please refer Note no. 8 under "Notes to Capital Structure" on page no. 52 of this Draft Prospectus.*

The Equity Shares that are being locked-in are not ineligible for computation of Promoter's contribution under Regulation 33 of the SEBI (ICDR) Regulations. In this connection, we confirm the following:

1. The Equity Shares offered for minimum 20% Promoters' contribution are not acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources or against shares which are otherwise ineligible for computation of Promoters' contribution;

2. The minimum Promoters' contribution does not consist of Equity Shares acquired during the preceding one year, at a price lower than the price at which Equity Shares are being offered to the public in the Offer;

3. The Equity Shares offered for minimum 20% Promoters contribution were not issued to the Promoters upon conversion of a partnership firm;

4. The Equity Shares held by the Promoters and offered for minimum 20% Promoters' contribution are not subject to any pledge;

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

Our Company has obtained specific written consent from our Promoters for inclusion of the above Equity Shares for lock-in for a period of 3 years from the date of Allotment in the Offer and for lock in of the balance pre-Offer Equity Share capital of our Company, held by the Promoters and Promoter Group, for a period of 1 year from the date of Allotment in the Offer. All Equity Shares held by our Promoters in our Company are free from pledge.

The lock in period shall commence from the date of allotment of Equity Shares in the proposed Public Offer as per the applicable SEBI Regulations.

We further confirm that our promoter's contribution of 20% of the Post-Offer Equity does not include any contribution from Alternative Investment Funds.

b) **Details of pre-Offer Equity Share capital locked in for one year**

In addition to the 20% Equity Shares proposed to be locked-in as part of the Promoters' contribution as stated above, the entire pre-Offer equity share capital of our Company, except the Equity Shares subscribed to and Allotted pursuant to the Offer for Sale, will be locked-in for a period of one year from the date of Allotment in the Offer in terms of Regulation 36 (b) and Regulation 37 of the SEBI Regulations.

Pursuant to Regulation 39 of the SEBI (ICDR) Regulations, locked-in Equity Shares held by the Promoters can be pledged with banks or financial institutions as collateral security for loans granted by such banks or financial institutions, provided that (i) the pledge of Equity Shares is one of the terms of sanction of the loan; and (ii) if the shares are locked in as Promoters' contribution for three years under Regulation 39(b) of the SEBI (ICDR) Regulations, such Equity Shares may be pledged, only if, in addition to fulfilling the requirements of paragraph (i), the loan has been granted by the banks or financial institutions for the purpose of financing one or more of the objects of the Offer.

In terms of Regulation 40 of the SEBI (ICDR) Regulations, subject to the provisions of the SEBI (SAST) Regulations - (i) the Equity Shares held by the Promoters and locked-in as per Regulation 36 may be transferred to another promoter or any person of the promoter group or a new promoter or a person in control of our Company; and (ii) the Equity Shares held by persons other than promoters and locked-in as per Regulation 37 may be transferred to any other person holding Equity Shares which are locked-in subject to the continuation of the lock-in in the hands of transferees for the remaining period and compliance with the SEBI (SAST) Regulations.

13. **Details of the Equity Shares held by the Selling Shareholders**

(a) Details of the share capital held by Richie Rich Resorts Pvt. Ltd.

Date of Allotment / Transfer	Nature of Transaction	Nature of Consideration	No of Equity Shares	FV (₹)	Issue / Transfer Price (₹)	Cumulative No. of Shares
March 27, 2010	Allotment	Cash	5,300	100	1,000	5,300
May 05, 2015	Sub Division of the Face Value of the Equity Shares from **₹ 100 to ₹ 10** each					53,000
June 06, 2015	Bonus Allotment	Non – Cash	5,30,000	10	Nil	5,83,000

(b) Details of the share capital held by Mr. Ashish Ajmera

Date of Allotment / Transfer	Nature of Transaction	Nature of Consideration	No of Equity Shares	FV (₹)	Issue / Transfer Price (₹)	Cumulative No. of Shares[(1)]
Incorporation	Subscription to MoA	Cash	1	100	100	1
September 01, 1995	Allotment	Cash	149	100	100	150
June 15, 1996	Allotment	Cash	500	100	100	650
May 07, 2009	Transfer	Cash	800	100	100	1,450
May 05, 2015	Sub Division of the Face Value of the Equity Shares from **₹ 100 to ₹ 10** each					14,500
June 06, 2015	Bonus Allotment	Non – Cash	1,45,000	10	Nil	1,59,500

[(1)] Out of the total shareholding of 1,59,000 equity shares, Mr. Ashish Ajmera is offering 1,10,000 equity shares through this Draft Prospectus.

(c) Details of the share capital held by Mr. Alpesh Ajmera

Date of Allotment / Transfer	Nature of Transaction	Nature of Consideration	No of Equity Shares	FV (₹)	Issue / Transfer Price (₹)	Cumulative No. of Shares[(1)]
Incorporation	Subscription to MoA	Cash	1	100	100	1
September 01, 1995	Allotment	Cash	149	100	100	150
May 07, 2009	Transfer	Cash	1,000	100	100	1,150
May 05, 2015	Sub Division of the Face Value of the Equity Shares from **₹ 100 to ₹ 10** each					11,500
June 06, 2015	Bonus Allotment	Non – Cash	1,15,000	10	Nil	1,26,500

[(1)] Out of the total shareholding of 1,26,500 equity shares, Mr. Alpesh Ajmera is offering 55,000 equity shares through this Draft Prospectus.

(d) Details of the share capital held by Mr. Manish Ajmera

Date of Allotment / Transfer	Nature of Transaction	Nature of Consideration	No of Equity Shares	FV (₹)	Issue / Transfer Price (₹)	Cumulative No. of Shares[(1)]
Incorporation	Subscription to MoA	Cash	1	100	100	1
September 01, 1995	Allotment	Cash	149	100	100	150
May 07, 2009	Transfer	Cash	1,000	100	100	1,150
January 21, 2013	Transfer	Cash	800	100	100	1,950
May 05, 2015	Sub Division of the Face Value of the Equity Shares from **₹ 100 to ₹ 10** each					19,500
June 06, 2015	Bonus Allotment	Non – Cash	1,95,000	10	Nil	2,14,500

[(1)] Out of the total shareholding of 2,14,500 equity shares, Mr. Manish Ajmera is offering 1,65,000 equity shares through this Draft Prospectus.

(e) Details of the share capital held by Mr. Jiten Ajmera

Date of Allotment / Transfer	Nature of Transaction	Nature of Consideration	No of Equity Shares	FV (₹)	Issue / Transfer Price (₹)	Cumulative No. of Shares[(1)]

Date of Allotment / Transfer	Nature of Transaction	Nature of Consideration	No of Equity Shares	FV (₹)	Issue / Transfer Price (₹)	Cumulative No. of Shares[(1)]
September 01, 1995	Allotment	Cash	150	100	100	150
June 15, 1996	Allotment	Cash	500	100	100	650
May 07, 2009	Transfer	Cash	1,600	100	100	2,250
May 05, 2015	Sub Division of the Face Value of the Equity Shares from **₹ 100 to ₹ 10** each					22,500
June 06, 2015	Bonus Allotment	Non – Cash	2,25,000	10	Nil	2,47,500

(1) Out of the total shareholding of 2,47,500 equity shares, Mr. Jiten Ajmera is offering 1,10,000 equity shares through this Draft Prospectus.

(f) Details of the share capital held by Kishore H. Ajmera (HUF)

Date of Allotment / Transfer	Nature of Transaction	Nature of Consideration	No of Equity Shares	FV (₹)	Issue / Transfer Price (₹)	Cumulative No. of Shares
June 15, 1996	Allotment	Cash	1,000	100	100	1,000
July 16, 2009	Transfer	Cash	1,800	100	100	2,800
May 05, 2015	Sub Division of the Face Value of the Equity Shares from **₹ 100 to ₹ 10** each					28,000
June 06, 2015	Bonus Allotment	Non – Cash	2,80,000	10	Nil	3,08,000

(g) Details of the share capital held by Mrs. Minal M. Ajmera

Date of Allotment / Transfer	Nature of Transaction	Nature of Consideration	No of Equity Shares	FV (₹)	Issue / Transfer Price (₹)	Cumulative No. of Shares[(1)]
September 01, 1995	Allotment	Cash	150	100	100	150
June 15, 1996	Allotment	Cash	500	100	100	650
November 20, 2012	Transfer	Cash	1,150	100	100	1,800
May 05, 2015	Sub Division of the Face Value of the Equity Shares from **₹ 100 to ₹ 10** each					18,000
June 06, 2015	Bonus Allotment	Non – Cash	1,80,000	10	Nil	1,98,000

(1) Out of the total shareholding of 1,98,000 equity shares, Mrs. Minal Ajmera is offering 85,000 equity shares through this Draft Prospectus.

(h) Details of the share capital held by Mr. Nitin P. Ajmera

Date of Allotment / Transfer	Nature of Transaction	Nature of Consideration	No of Equity Shares	FV (₹)	Issue / Transfer Price (₹)	Cumulative No. of Shares
July 04, 1996	Transfer	Cash	200	100	100	200
April 23, 1997	Transfer	Cash	1,600	100	100	1,800
May 07, 2009	Transfer	Cash	(500)	100	100	1,300
January 29, 2015	Transfer	Cash	(500)	100	100	800
May 05, 2015	Sub Division of the Face Value of the Equity Shares from **₹ 100 to ₹ 10** each					8,000
June 06, 2015	Bonus Allotment	Non – Cash	80,000	10	Nil	88,000

14. None of our Company, our Promoters, the Directors and the Lead Manager have entered into any buy-back and/or safety net arrangements for the purchase of Equity Shares of our Company from any person.

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

16. Investors may note that in case of over-subscription in all the categories, the allocation in the Offer shall be as per the requirement of Regulation 43(4) of SEBI (ICDR) Regulations, as amended from time to time. The allotment will be on proportionate basis as detailed under "*Basis of Allotment – Offer Procedure*" beginning on page no. 250 of this Draft Prospectus.

17. Shareholding of Promoter and Promoter Group before and after the Offer:

Category of Promoters	**Pre Offer**		**Post Offer**	
	No. of Shares	**%**	**No. of Shares**	**%**
1. Promoters				
Mr. Jasmin Ajmera	2,91,500	5.27%	2,91,500	5.27%
Mr. Manish Ajmera	2,14,500	3.88%	49,500	0.89%
Mrs. Avani Ajmera	2,36,500	4.27%	2,36,500	4.27%
Mr. Harsh Ajmera	2,20,000	3.98%	2,20,000	3.98%
Jasmin K. Ajmera (HUF)	1,10,000	1.99%	1,10,000	1.99%
Manish K. Ajmera (HUF)	2,75,000	4.97%	2,75,000	4.97%
2. Promoters Group (as defined by SEBI (ICDR) Regulations)				
Mr. Alpesh Ajmera	1,26,500	2.29%	71,500	1.29%
Mr. Ashish Ajmera	1,59,500	2.88%	49,500	0.89%
Mr. Kishore Ajmera	1,81,500	3.28%	1,81,500	3.28%
Mr. Jiten Ajmera	2,47,500	4.47%	1,37,500	2.49%
Mrs. Minal Ajmera	1,98,000	3.58%	1,13,000	2.04%
Mr. Jesal Ajmera	1,10,000	1.99%	1,10,000	1.99%
Harsh J. Ajmera (HUF)	55,000	0.99%	55,000	0.99%
Richie Rich Resorts Pvt. Ltd.	5,83,000	10.54%	-	-
Kishore H. Ajmera (HUF)	3,08,000	5.57%	-	-
Alpesh K. Ajmera (HUF)	2,75,000	4.97%	2,75,000	4.97%
Ashish K. Ajmera (HUF)	2,20,000	3.98%	2,20,000	3.98%
Jiten K. Ajmera (HUF)	2,20,000	3.98%	2,20,000	3.98%
3. Other Persons, Firms or Companies whose shareholding is aggregated for the purpose of disclosing in the Draft Prospectus under the heading "Shareholding of the Promoter Group".				
Mr. Ashwini Ajmera	1,76,000	3.18%	1,76,000	3.18%
Mr. Divyam Ajmera	71,500	1.29%	71,500	1.29%
Mrs. Nishita Ajmera	71,500	1.29%	71,500	1.29%
Mrs. Reena Ajmera	1,10,000	1.99%	1,10,000	1.99%
Mr. Dhruv Ajmera	2,20,000	3.98%	2,20,000	3.98%
Ms. Anushka Ajmera	55,000	0.99%	55,000	0.99%
Mr. Mihaan Ajmera	55,000	0.99%	55,000	0.99%
Ms. Trishna Ajmera	55,000	0.99%	55,000	0.99%
Mr. Rajveer Ajmera	55,000	0.99%	55,000	0.99%
Manharlal H. Ajmera (HUF)	1,10,000	1.99%	1,10,000	1.99%
Pankaj M. Ajmera (HUF)	55,000	0.99%	55,000	0.99%
Jayesh M. Ajmera (HUF)	71,500	1.29%	71,500	1.29%
Mr. Nitin Ajmera	88,000	1.59%	-	-
Total Promoter & Promoter Group Holding	**52,25,000**	**94.43%**	**37,21,000**	**67.26%**
Total Paid up Capital	**55,33,000**	**100.00%**	**55,33,000**	**100.00%**

18. **Shareholding pattern of our Company**

The table below represents our shareholding pattern in accordance with Clause 35 of the Listing Agreement:

Category code	Category of Shareholder	(Pre-Offer)			Number of shares held in dematerialized form	(Post-Offer)			Shares Pledged or otherwise Encumbered	
		No. of Share-holders	No. of Shares	%		No. of Share-holders	No. of Shares	%	No. of Shares	As a %
(A)	**Shareholding of Promoter and Promoter Group**									
1	**Indian**									
(a)	Individuals / Hindu Undivided Family	30	46,42,000	83.90	46,42,000	28	37,21,000	67.26	-	-
(b)	Bodies Corporate	1	5,83,000	10.53	5,83,000	-	-	-	-	-
(c)	Central Government / State Government(s)	-	-	-	-		-	-	-	-
(d)	Financial Institutions / Banks	-	-	-	-		-	-	-	-
(e)	Any Others(Specify)	-	-	-	-		-	-	-	-
	Sub Total(A)(1)	**31**	**52,25,000**	**94.43**	**52,25,000**	**28**	**37,21,000**	**67.26**	**-**	**-**
2	**Foreign**									
(a)	Individuals (Non-Residents Individuals / Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-
(d)	Any Other, Specify	-	-	-	-	-	-	-	-	-
	Sub Total(A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)		**31**	**52,25,000**	**94.43**	**52,25,000**	**28**	**37,21,000**	**67.26**	**-**	**-**
(B)	**Public shareholding**									
1	**Institutions**									
(a)	Mutual Funds/ UTI	-	-	-	-				-	-
(b)	Financial Institutions / Banks	-	-	-	-				-	-
(c)	Insurance Companies	-	-	-	-				-	-
(d)	Foreign Institutional Investors	-	-	-	-				-	-
	Sub-Total (B)(1)				**-**				**-**	**-**
2	**Non-institutions**									
(a)	Bodies Corporate	-	-	-	-				-	-
(b)	Individuals									
I	Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	[●]	18,12,000	32.74	-	-
II	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	2	3,08,000	5.57	3,08,000				-	-
(c)	**Any Other (specify)**	-	-	-	-				-	-
	Market Maker	N.A.	N.A.	N.A.						
(d)	Public Offer / IPO	N.A.	N.A.	N.A.	-				-	-
	Sub-Total (B)(2)	**2**	**3,08,000**	**5.57**	**3,08,000**	**[●]**	**18,12,000**	**32.74**	**-**	**-**
Total Public Shareholding (B) = (B)(1)+(B)(2)		**2**	**3,08,000**	**5.57**	**3,08,000**	**[●]**	**18,12,000**	**32.74**	**-**	**-**
TOTAL (A)+(B)		**33**	**55,33,000**	**100.00**	**55,33,000**	**[●]**	**55,33,000**	**100.00**	**-**	**-**
(C)	Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A)+(B)+(C)		**33**	**55,33,000**	**100.00**	**55,33,000**	**[●]**	**55,33,000**	**100.00**	**-**	**-**

The list of public shareholders holding more than 1% of the pre-Offer paid up capital of our Company is as follows:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Pre-Offer (%)	Post-Offer (%)
1.	Mr. Hiral T. Panchmiya	1,65,000	2.98%	2.98%

2.	Mr. Pankaj Lalji Shah	1,43,000	2.58%	2.58%

19. Since the entire money of ₹ 85 per share (₹ 10 face value + ₹ 75 premium) is being called on application, all the successful applicants will be issued fully paid-up equity shares only. Further, as on date of this Draft Prospectus, the entire issued share capital of our Company is fully paid-up.

20. In terms of Rule 19(2)(b)(i) of the SCRR, this is an Offer for at least 25% of the post-Offer capital of our Company.

21. Shareholders of our Company and the number of Equity Shares held by them is as under:

(a). Top ten shareholders as of the date of this Draft Prospectus:

Sr. No.	Name of the shareholder	No. of equity shares held	Percentage
1.	Richie Rich Resorts Pvt. Ltd.	5,83,000	10.54%
2.	Kishore H. Ajmera (HUF)	3,08,000	5.57%
3.	Jasmin Kishore Ajmera	2,91,500	5.27%
4.	Manish Kishore Ajmera (HUF)	2,75,000	4.97%
5.	Alpesh K. Ajmera (HUF)	2,75,000	4.97%
6.	Jiten K. Ajmera	2,47,500	4.47%
7.	Avani J. Ajmera	2,36,500	4.27%
8.	Harsh J. Ajmera	2,20,000	3.98%
9.	Ashish Kishore Ajmera (HUF)	2,20,000	3.98%
10.	Jiten K. Ajmera (HUF)	2,20,000	3.98%
	Total	**28,76,500**	**51.99%**

(b). Top ten shareholders as of ten days prior to the date of this Draft Prospectus:

Sr. No.	Name of the shareholder	No. of equity shares held	Percentage
1.	Richie Rich Resorts Pvt. Ltd.	5,83,000	10.54%
2.	Kishore H. Ajmera (HUF)	3,08,000	5.57%
3.	Jasmin Kishore Ajmera	2,91,500	5.27%
4.	Manish Kishore Ajmera (HUF)	2,75,000	4.97%
5.	Alpesh K. Ajmera (HUF)	2,75,000	4.97%
6.	Jiten K. Ajmera	2,47,500	4.47%
7.	Avani J. Ajmera	2,36,500	4.27%
8.	Harsh J. Ajmera	2,20,000	3.98%
9.	Ashish Kishore Ajmera (HUF)	2,20,000	3.98%
10.	Jiten K. Ajmera (HUF)	2,20,000	3.98%
	Total	**28,76,500**	**51.99%**

(c). Top ten shareholders two years prior to date of this Draft Prospectus:

Sr. No.	Name of the shareholder	No. of equity shares held	Percentage
1.	Richie Rich Resorts Pvt. Ltd.	5,300	10.54%
2.	Kishore H. Ajmera (HUF)	2,800	5.57%
3.	Jasmin Kishore Ajmera	2,650	5.27%
4.	Manish Kishore Ajmera (HUF)	2,500	4.97%
5.	Alpesh K. Ajmera (HUF)	2,500	4.97%
6.	Pankaj Lalji Shah	2,300	4.57%
7.	Jiten K. Ajmera	2,250	4.47%
8.	Avani J. Ajmera	2,150	4.27%
9.	Harsh J. Ajmera	2,000	3.98%
10.	Ashish Kishore Ajmera (HUF)	2,000	3.98%
	Total	**26,450**	**52.58%**

22. Neither the Lead Manager nor its associates hold any Equity Shares in our Company.

23. As on date of this Draft Prospectus, there are no outstanding ESOP's, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has our Company ever allotted any equity shares pursuant to conversion of ESOP's till date.

24. Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoter Group between the date of this Draft Prospectus and the Offer Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.

25. At any given point of time, there shall be only one denomination for the Equity Shares of our Company, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

26. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the section titled "*Our Management*" beginning on page no. 118 of this Draft Prospectus.

27. Our Company, our Directors, our Promoters / Promoter Group or the Selling Shareholders shall not make any, direct or indirect, payments, discounts, commissions or allowances under this Offer, except as disclosed in this Draft Prospectus.

28. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Draft Prospectus with SEBI and the Offer Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.

29. As of date of this Draft Prospectus, the total number of holders of Equity Shares is Thirty Three (33).

30. As on the date of this Draft Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Offer.

31. Our Company has not made any public issue or rights issue since its incorporation.

32. There will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from the date of this Draft Prospectus until the Equity Shares to be offered pursuant to the Offer have been listed.

SECTION IV – PARTICULARS OF THE OFFER

OBJECTS OF THE OFFER

The objects of the Offer are to achieve the benefits of listing the Equity Shares on the BSE SME Platform of BSE Ltd. and to carry out the sale of 15,04,000 Equity Shares by the Selling Shareholders. The listing of the Equity Shares will enhance our brand name and provide liquidity to the existing shareholders. The listing of the Equity Shares will also provide a public market for the Equity Shares in India. Our Company will not receive any proceeds from the Offer.

Offer Related Expenses

Offer related expenses include underwriting and Offer management fees, selling commission, distribution expenses, market making charges, legal fees, fees to advisors, printing and stationery costs, advertising expenses, listing fees payable to the Stock Exchange, and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchange, including fees payable to Depositories. All expenses with respect to the Offer will be paid by and shared between the Selling Shareholders in proportion to the Equity Shares being offered for sale in the Offer. Payments, if any, made by our Company in relation to the Offer shall be on behalf of the Selling Shareholders and such payments will be reimbursed by the Selling Shareholders to our Company in proportion to the Equity Shares being offered for sale in the Offer. The break-up for the Offer expenses is as follows:

Sr. No.	Particulars	Estimated expense (₹ in lakhs)	As a % of total estimated Offer expense	As a % of total Offer size
1	Offer Management fees including fees and reimbursements of Market Making fees, selling commissions, brokerages, and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	40.90	76.59	3.19
2	Printing & Stationery, Distribution, Postage, etc.	2.50	4.68	0.20
3	Advertisement and Marketing Expenses	2.50	4.68	0.20
4	Stock Exchange Fees, Regulatory and other Expenses	7.50	14.05	0.59
	Total	**53.40**	**100.00**	**4.18**

Commission Payable to Non Syndicate Registered Brokers

Subject to the cap as mentioned below, the commission payable to the Non Syndicate Registered Brokers shall be as follows:

- Size of the Bid cum Application Form Commission Payable up to ₹ 100,000: ₹ 10 per Bid cum Application Form which is considered eligible for Allotment in the Offer.
- Greater than ₹ 100,000: ₹ 15 per Bid cum Application Form which is considered eligible for Allotment in the Offer.

The total Non Syndicate Registered Broker Commission to be paid to the Non Syndicate Registered Brokers for the Application Forms procured by them which are considered eligible for Allotment in the Offer ("Eligible Application Forms") calculated as per the table above, shall be capped at 0.25% and 0.15% of the product of the number of Equity Shares Allotted to Retail Individual Investors and Non-Institutional Investors, respectively, and the Offer Price in relation to the Eligible Application Forms procured by them (the "Maximum Brokerage"). In case the total Non Syndicate Registered Broker Commission payable to the Non Syndicate Registered Brokers exceeds the Maximum Brokerage, then the commission paid to the Non Syndicate Registered Brokers per Eligible Application Form as per the table above would be proportionately adjusted such that the total Non Syndicate Registered Broker Commission payable to them does not exceed the Maximum Brokerage. The terminal from which the Application has been uploaded will be taken into account in order to determine the commission payable to the relevant Non Syndicate Registered Broker. The Non Syndicate Registered Broker Commission payable to Non Syndicate Registered Brokers shall be inclusive of all taxes.

Monitoring of Utilization of Funds

Since the Offer is an offer for sale and our Company will not receive any proceeds from the Offer, our Company is not required to appoint a monitoring agency for the Offer.

BASIC TERMS OF THE OFFER

Terms of the Offer

The Equity Shares being offered are subject to the provisions of the Companies Act, our Memorandum and Articles of Association, the terms of the Draft Prospectus, the Prospectus, Application Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Other Details

Authority for the Offer	The Offer has been approved by a resolution of the Board of Directors and by the shareholders of our Company at their meeting held on July 17, 2015 and August 17, 2015 respectively. The Offer has been authorised by the Selling Shareholders as follows: 5,83,000 Equity Shares offered by Richie Rich Resorts Pvt. Ltd. authorised by the board resolution dated July 13, 2015; 1,10,000 Equity Shares offered by Mr. Ashish Ajmera; 55,000 Equity Shares offered by Mr. Alpesh Ajmera; 1,65,000 Equity Shares offered by Mr. Manish Ajmera; 1,10,000 Equity Shares offered by Mr. Jiten Ajmera; 3,08,000 Equity Shares offered by Kishore H. Ajmera (HUF); 85,000 Equity Shares offered by Mrs. Minal M. Ajmera; and 88,000 Equity Shares offered by Mr. Nitin P. Ajmera; as per their respective consent letters dated July 15, 2015.
Face Value	The Equity Shares to be offered pursuant to this Offer, having a face value of ₹ 10/- each are being offered in terms of this Draft Prospectus at a price of ₹ [●] per Equity Share. Subject to applicable laws, there shall be, at any given point of time, only one denomination of the Equity Shares of our Company.
Offer Price per Share	The Equity Shares pursuant to this Draft Prospectus are being offered at a price of ₹ 85/- each.
Terms of Payment	Applications should be for a minimum of 1,600 equity shares and 1,600 equity shares thereafter. The entire price of the equity shares of₹ 85 per share (₹ 10/ - face value +₹ 75 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 the Equity Shares	The Equity Shares offerd pursuant to this Offer shall be subject to the Memorandum and Articles of Association of the Company and shall rank *pari - passu* in all respects including dividends with the existing Equity Shares of the Company. The allottees will be entitled to dividend, voting rights or any other corporate benefits, if any, declared by us after the date of Allotment.
Market Lot and Trading Lot	The Market lot and Trading lot for the Equity Share is 1,600 (One Thousand Six Hundred) and in multiples of 1,600 thereafter; subject to a minimum allotment of 1,600 Equity Shares to the successful applicants.

Minimum Subscription

This Offer is not restricted to any minimum subscription level. This Offer is 100% underwritten.

If our Company does not receive the subscription of 100% of the Offer through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Offer, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under section 40 of the Companies Act, 2013.

BASIS FOR OFFER PRICE

The Offer Price has been determined by our Company in consultation with the Selling Shareholders and the Lead Manager on the basis of the key business strengths. The face value of the Equity Shares is₹ 10 and Offer Price is ₹ 85 per Equity Shares and is 8.5 times of the face value. Investors should read the following basis with the sections titled "Risk Factors" and "Financial Information" and the chapter titled "Our Business" beginning on page nos. 9, 147 and 89 respectively, of this Draft Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

Qualitative Factors

Some of the qualitative factors that help differentiate us from our competitors and enable us to compete successfully in our industry are:

- Highly experienced Promoter and Directors backed by experienced senior management team.
- Diversified variety of readily available APIs and diversified Customer Base.
- Long operational history and an Established Marketing Setup.
- Compliance with Quality Standards to serve international markets and Consistency in Quality and Service Standards
- Strategic Location of our Storage Units and Manufacturing Facility (Subsidiary Company).
- Scalable Business Model
- Cost effective production and timely fulfilment of orders

For further details regarding the above mentioned factors, which form the basis for computing the Offer Price, please refer "*Our Business – Our Strengths*" on page no. 90 of this Draft Prospectus.

Quantitative Factors

Information presented in this chapter is derived from our Restated Financial Statements prepared in accordance with Indian GAAP. Investors should evaluate our Company taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

1) Earnings per Share

Year ended March 31,	Basic & Diluted	
	EPS (in ₹)[1]	Weight (Standalone)
2015	1.57	3
2014	3.62	2
2013	2.50	1
Weighted Average	**2.41**	

[1] *Based on Standalone Restated Financials of our Company*

Year ended March 31,	Basic & Diluted	
	EPS (in ₹)[1]	Weight (Standalone)
2015	1.57	2
2014	3.59	1
Weighted Average	**2.24**	

[1] *Based on Consolidated Restated Financials of our Company*

Notes:

a. Basic EPS has been calculated as per the following formula:

$$\text{Basic EPS (₹)} = \frac{\text{Net profit / (loss) as restated, attributable to Equity Shareholders}}{\text{Weighted average number of Equity Shares outstanding during the year/period}}$$

b. Basic EPS has been calculated as per the following formula:

$$\text{Diluted EPS (₹)} = \frac{\text{Net profit / (loss) as restated, attributable to Equity Shareholders}}{\text{Diluted Weighted average number of Equity Shares outstanding during the year / period}}$$

c. Earnings per share calculations are in accordance with Accounting Standard 20 “Earnings per Share” prescribed by the Companies (Accounting Standard) Rules, 2006.

2) Price Earnings Ratio (P/E) in relation to the Price Band of ₹ 85/- per Equity Share

Particulars	Standalone	Consolidated
P/E ratio based on Basic & Diluted EPS as at March 31, 2015	54.14	54.14
P/E ratio based on Weighted Average EPS	35.27	37.95

Industry P/E	
Highest – Sequent Scientific Limited	668.30
Lowest – Panchsheel Organics Limited	10.50
Average	**37.30**

(Source: Capital Market, Vol. XXX/16, Sep 28 – Oct 11, 2015)

3) Return on Net worth (RoNW)

Standalone

Year ended March 31,	RoNW (%)	Weight
2015	7.63%	3
2014	19.03%	2
2013	16.23%	1
Weighted Average	**12.86**	

Consolidated

Year ended March 31,	RoNW (%)	Weight
2015	7.59%	2
2014	18.73%	1
Weighted Average	**11.30**	

Note: Return on Net worth has been calculated as per the following formula:

$$\text{RoNW} = \frac{\text{Net profit/loss after tax, as restated}}{\text{Net worth excluding preference share capital and revaluation reserve}}$$

4) Minimum Return on Increased Net Worth Required to Maintain Pre-Offer EPS

The minimum return on increased net worth i.e. after Offer, required to maintain pre-Offer Basic / Diluted EPS for the F.Y. 2014-15 is **5.45**% as per the standalone financials and **5.42**% as per the consolidated financials.

Note:
Net worth is the sum of the share capital, the reserves and the surplus less miscellaneous expenditure not written off.

5) Net Asset Value (NAV)

Financial Year	Standalone NAV (in ₹)	Consolidated NAV (in ₹)
NAV as at March 31, 2015(1)	2,266.48	2,282.52
NAV after Offer	28.79	28.94
Offer Price	85.00	85.00

[(1)] *As on March 31, 2015, the company's shares had a face value of ₹ 100/- per share. However, subsequently, the company's shares have been split and the face value is now ₹ 10/- per share. Further, the company has issued bonus shares in the ratio of 10 shares for 1 share, and hence this pre-offer Standalone and Consolidated NAV should be read as ₹ 20.60/- and ₹ 20.75/- per share respectively after adjusting for these post fact events.*

Note: Net Asset Value has been calculated as per the following formula:

$$\text{NAV} = \frac{\text{Net worth excluding preference share capital and revaluation reserve}}{\text{Outstanding number of Equity shares outstanding during the year / period}}$$

6) Comparison with Industry peers

Particulars	Face Value (₹)	EPS (₹)	P/E Ratio	RONW (%)	NAV (₹)
Shasun Pharmaceuticals Limited	2.00	6.94	54.85	10.48%	65.59
Alembic Pharmaceuticals Limited	2.00	15.20	46.03	34.38%	44.22
Aarti Drugs Limited	10.00	32.04	18.92	25.55%	125.41
Anuh Pharma Limited	5.00	26.33	12.94	21.79%	120.81
Dishman Pharmaceuticals & Chemicals Ltd.	2.00	7.25	48.75	7.00%	103.44
Aarey Drugs	10.00	0.65	20.97	3.07%	21.06
Source: Company Annual Reports					
AJMERA PHARMASURE LIMITED	10.00	1.57	54.14	7.63%	2,268.48[(1)]

Note: All comparisons of the Peers and our Company are as per the Standalone Financials for the year ended March 31, 2015

[(1)] *As on March 31, 2015, the company's shares had a face value of ₹ 100/- per share. However, subsequently, the company's shares have been split and the face value is now ₹ 10/- per share. Further, the company has issued bonus shares in the ratio of 10 shares for 1 share, and hence this pre-issue Standalone NAV should be read as ₹ 20.60/- per share after adjusting for these post fact events.*

7) The face value of our equity shares is ₹ 10/- and the Offer Price is ₹ 85

The Company in consultation with the Selling Shareholders and the Lead Manager believes that the offer price of ₹ 85 per share for the Public Offer is justified in view of the above qualitative and quantitative parameters. The investors may also want to peruse the Risk Factors and Financials of the Company including important profitability and return ratios, as set out in the Financial Statements included in this Draft Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is ₹ 10 per share and the Offer Price is 8.5 times of the face value i.e. ₹ 85 per share.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors,
Ajmera Pharmasure Limited
Mumbai, Maharashtra

Dear Sirs,

Subject: Statement of Possible Tax Benefits

We hereby confirm that the enclosed annexure states the possible tax benefits available to Ajmera Pharmasure Limited ('the Company') and the shareholders of the Company under the Income – tax Act, 1961 ('Act') and the Gift Tax Act, 1958, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil.

With regard to Proposed Direct Tax Code ('DTC'), the Finance Minister in his speech at the time of presenting Finance Bill, 2015 has said that as most of the provisions of DTC have been incorporated under the existing Income Tax Act and hence there is no merit in the introduction of DTC.

The benefits discussed in the enclosed statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and 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 arising out of their participation in the proposed Offer.

Our views are based on the existing provisions of tax law and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

We do not express any opinion or provide any assurance as to whether:
a) The Company or its Equity Shareholders will continue to obtain these benefits in future; or
b) The conditions prescribed for availing the benefits have been / would be met.

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

For **Rahul Jimulia & Associates**
Chartered Accountants
Firm Registration No. 134709W

Rahul C. Jimulia
Proprietor
Membership No. 149855

Place: Mumbai
Date: September 29, 2015

ANNEXURE TO THE STATEMENT OF TAX BENEFITS

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

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

A. SPECIAL TAX BENEFITS TO THE COMPANY

Nil

B. GENERAL TAX BENEFITS

1. Benefits to the Company under the Act

(i) Business income

The Company is entitled to claim depreciation on specified tangible and intangible assets owned by it and used for the purpose of its business as per provisions of Section 32 of the Act. Business losses, if any, for an assessment year can be carried forward and set off against business profits for 8 subsequent years. Unabsorbed depreciation, if any, for an assessment year can be carried forward and set off against any source of income in subsequent years as per provisions of Section 32 of the Act.

(ii) MAT credit

As per provisions of Section 115JAA of the Act, the Company is eligible to claim credit for Minimum Alternate Tax ('MAT') paid for any assessment year commencing on or after April 1, 2006 against normal income-tax payable in subsequent assessment years. MAT credit shall be allowed to be carried forward for any assessment year to the extent of difference between the tax paid under Section 115JB and the tax payable as per the normal provisions of the Act for that assessment year. Such MAT credit is available for set-off up to 10 years succeeding the assessment year in which the MAT credit arises.

(iii) Capital gains

(a) *Computation of capital gains*

Capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. All capital assets, being shares held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long – term capital assets, capital gains arising from the transfer of which are termed as long – term capital gains ('LTCG'). In respect of any other capital assets, the holding period should exceed thirty – six months to be considered as long – term capital assets.

Short Term Capital Gains ('STCG') means capital gains arising from the transfer of capital asset being a share held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.

In respect of any other capital assets, STCG means capital gains arising from the transfer of an asset, held by an assessee for thirty six months or less.

LTCG arising on transfer of equity shares of a company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to securities transaction tax (STT) and subject to conditions specified in that section.

Income by way of LTCG exempt under Section 10(38) of the Act is to be taken into account while determining book profits in accordance with provisions of Section 115JB of the Act.

As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.

As per provisions of Section 112 of the Act, LTCG not exempt under Section 10 (38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee. No deduction under Chapter VIA is allowed from such income.

As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D), are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.

STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D), where such transaction is not chargeable to STT is taxable at the rate of 30%.

The tax rates mentioned above stands increased by surcharge, payable at the rate of 5% where the taxable income of a domestic company exceeds ₹ 1,00,00,000 and at the rate of 10% where the taxable income of a domestic company exceeds ₹ 10,00,00,000. Further, education cess and secondary and higher education cess is payable at the rate of 2% and 1% respectively on the tax rate and surcharge thereon.

As per Section 50 of the Act, where a capital asset is forming part of a block of assets in respect of which depreciation has been allowed under the Act, capital gains shall be computed in the following manner:

- where full value of consideration on account of transfer of any asset forming part of block of asset, as reduced by expenditure incurred wholly or exclusively in connection with transfer, exceeds the written down value of block of assets and actual cost of assets acquired during the year, such excess shall be deemed to be short term capital gains and taxed accordingly.
- where any block of assets ceases to exist, for the reason that all the assets in that block are transferred, the difference between the consideration arising on result of transfer and the written down value of block of assets and the actual cost of assets acquired during the year, shall be deemed to be short term capital gains/ (losses) and taxed accordingly.

As per provisions of Section 71 read with Section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against short term as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent 8 assessment years.

As per provisions of Section 71 read with Section 74 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent 8 assessment years.

(b) *Exemption of capital gains from income – tax*

Under Section 54EC of the Act, capital gain arising from transfer of long term capital assets [other than those exempt u/s 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issued by –

- National Highway Authority of India (NHAI) constituted under Section 3 of National Highway Authority of India Act, 1988; and
- Rural Electrification Corporation Limited (REC), a company formed and registered under the Companies Act, 1956.

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

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

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

(iv) *Securities Transaction Tax ('STT')*

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

(v) *Dividends*

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

(vi) *Other Provisions*

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

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

(viii) Preliminary Expenses Under Section 35 D of the Act, the Company will be entitled to deduction equal to 1/5th of the Preliminary Expenditure if the expenditures incurred are in the nature specified in the said section.

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

(i) *Dividends exempt under section 10(34) of the Act*

As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by the resident members / shareholders from a Domestic Company is exempt from tax. The Domestic Company will be liable to pay dividend distribution tax at the rate of 15% plus a surcharge of 10% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon on the total amount distributed as dividend.

(ii) *Capital gains*

(a) <u>*Computation of capital gains*</u>

Capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. All capital assets, being shares held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long – term capital assets, capital gains arising from the transfer of which are termed as LTCG. In respect of any other capital assets, the holding period should exceed thirty – six months to be considered as long – term capital assets.

STCG means capital gains arising from the transfer of capital asset being a share held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.

In respect of any other capital assets, STCG means capital gain arising from the transfer of an asset, held by an assessee for thirty six months or less.

LTCG arising on transfer of equity shares of a company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to STT and subject to conditions specified in that section.

The Finance Act 2012 has amended the chapter of Securities Transaction Tax [Chapter VII of Finance Act (No 2) of 2004]. As per the amendment, sale of unlisted equity shares under an offer for sale to the public which are included in an initial public offer and where such shares are subsequently listed on a recognized stock exchange, the same would be covered within the ambit of taxable securities transaction under the said Chapter. Accordingly, STT is leviable on sale of shares under an offer for sale to the public in an intial public offer and the LTCG arising on transfer of such shares would be exempt from tax as per provisions of Section 10(38) of the Act.

As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.

As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee. No deduction under Chapter VIA is allowed from such income.

As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.

STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the rate of 30% in case of domestic company and at normal slab rates in case of other assessees.

As per section 115QA any income arising to shareholders on account of buy-back of shares as referred to in Section 115QA of the Act (buy-back of shares by unlisted companies) shall be exempt in the hands of the shareholders.

In the case of domestic companies, the tax rates mentioned above stands increased by surcharge, payable at the rate of 5% where the taxable income of a domestic company exceeds Rs 1,00,00,000 and at the rate of 10% where the taxable income of a domestic company exceeds Rs 10,00,00,000. Further, education cess and secondary and higher education cess is payable at the rate of 2% and 1% respectively on the tax rate and surcharge thereon.

Surcharge shall be payable at the rate of 10% where the taxable income of a taxpayer other than a domestic company exceeds Rs 1,00,00,000. Further, education cess and secondary and higher education cess is payable at the rate of 2% and 1% respectively on the tax rate and surcharge thereon.

As per provisions of Section 71 read with Section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against short term as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent 8 assessment years.

As per provisions of Section 71 read with Section 74 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent 8 assessment years.

(b) *Exemption of capital gains arising from income – tax*

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

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

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

In addition to the same, some benefits are also available to a resident shareholder being an individual or Hindu Undivided Family (‘HUF’).

- As per provisions of Section 54F of the Act, LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of a new residential house, or for construction of residential house within three years from the date of transfer and subject to conditions and to the extent specified therein.

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

(iii) Other Provisions

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

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

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

(i) Dividends exempt under section 10(34) of the Act

As per provisions of Section 10(34), dividend (both interim and final), if any, received by non-resident shareholders from the Company is exempt from tax. The Company will be liable to pay dividend distribution tax at the rate of 15% plus a surcharge of 10% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon on the total amount distributed as dividend.

(ii) *Capital gains*

(a) Computation of capital gains

Capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. All capital assets, being shares held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long – term capital assets, capital gains arising from the transfer of which are termed as LTCG. In respect of any other capital assets, the holding period should exceed thirty – six months to be considered as long – term capital assets.

STCG means capital gain arising from the transfer of capital asset being a share held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.

In respect of any other capital assets, STCG means capital gain arising from the transfer of an asset, held by an assessee for thirty six months or less.

LTCG arising on transfer of equity shares of a company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to STT and subject to conditions specified in that section.

The Finance Act 2012 has amended the chapter of Securities Transaction Tax [Chapter VII of Finance Act (No 2) of 2004]. As per the amendment, sale of unlisted equity shares under an offer for sale to the public which are included in an initial public offer and where such shares are subsequently listed on a recognized stock exchange, the same would be covered within the ambit of taxable securities transaction under the said Chapter. Accordingly, STT is leviable on sale of shares under an offer for sale to the public in an intial public offer and the LTCG arising on transfer of such shares would be exempt from tax as per provisions of Section 10(38) of the Act.

As per provisions of Section 112 of the Act, LTCG arising on transfer of listed securities not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. The indexation benefits are however not available in case the shares are acquired in foreign currency. In such a case, the capital gains shall be computed in the manner prescribed under the first proviso to Section 48. As per first proviso to Section 48 of the Act, where the shares have been purchased in foreign currency by a non-resident, the capital gains arising on its transfer need to be computed by converting the cost of acquisition, expenditure incurred in connection with such transfer and full value of the consideration received or accruing as a result of the transfer, into the same foreign currency in which the shares were originally purchased. The resultant gains thereafter need to be reconverted into Indian currency. The conversion needs to be at the prescribed rates prevailing on dates stipulated. If the tax payable on transfer of listed securities exceeds 10% of the LTCG, the excess tax shall be ignored for the purpose of computing tax payable by the assessee.

Further, LTCG arising from transfer of unlisted securities (other than by way of offer for sale under an initial public offer) is chargeable to tax at 10% without indexation and foreign exchange fluctuation benefits. No deduction under Chapter VIA is allowed from such income.

As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D), are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.

STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D), where such transaction is not chargeable to STT is taxable at the normal rates of taxation as applicable to the taxpayer.

As per section 115QA any income arising to shareholders on account of buy-back of shares as referred to in Section 115QA of the Act (buy-back of shares by unlisted companies) shall be exempt in the hands of the shareholders.

The tax rates mentioned above stands increased by surcharge. The levy of surcharge is as follows:

- In case of a foreign company whose total income exceeds ₹ 1,00,00,000, the rate of surcharge of 2% will be applicable and in case total income exceeds ₹ 10,00,00,000 surcharge rate of 5% will be applicable.

- In case of other non-residents, whose income exceeds Rs 1,00,00,000 surcharge of 10% will be applicable.

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

As per provisions of Section 71 read with Section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against short term as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent 8 assessment years.

As per provisions of Section 71 read with Section 74 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent 8 assessment years.

(b) *<u>Exemption of capital gains arising from income – tax</u>*

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

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

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

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

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

In addition to the same, some benefits are also available to a non- resident shareholder being an individual or HUF.

- As per provisions of Section 54F of the Act, LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of a new residential house, or for construction of residential house within three years from the date of transfer and subject to conditions and to the extent specified therein.

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

(iii) *Tax Treaty benefits*

As per provisions of Section 90(2) of the Act, non-resident shareholders can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the non-resident shareholder, whichever is more beneficial. It needs to be noted that a non-resident is required to hold a valid tax residency certificate containing the particulars prescribed under Notification No S.O.2188(E) dated 17 September 2012 issued by the Central Board of Direct Taxes in order to claim benefits under the applicable tax treaty.

(iv) Taxation of Non-resident Indians

Special provisions in case of Non-Resident Indian ('NRI') in respect of income / LTCG from specified foreign exchange assets under Chapter XII-A of the Act are as follows:

(a) NRI means a citizen of India or a person of Indian origin who is not a resident. A person is deemed to be of Indian origin if he, or either of his parents or any of his grandparents, were born in undivided India.

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

(c) As per provisions of Section 115E of the Act, LTCG arising to a NRI from transfer of specified foreign exchange assets is taxable at the rate of 10%. The surcharge of 10% would be leviable in case income of the NRI exceeds Rs 1,00,00,000. Further, education cess and secondary and higher education cess is payable at the rate of 2% and 1% respectively on the tax rate and surcharge thereon.

(d) As per provisions of Section 115E of the Act, income (other than dividend which is exempt under Section 10(34)) from investments and LTCG (other than gain exempt under Section 10(38)) from assets (other than specified foreign exchange assets) arising to a NRI is taxable at the rate of 20%. No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act. The surcharge of 10% would be leviable in case income of the NRI exceeds Rs 1,00,00,000. Further, education cess and secondary and higher education cess is payable at the rate of 2% and 1% respectively on the tax rate and surcharge thereon.

(e) As per provisions of Section 115F of the Act, LTCG arising to a NRI on transfer of a foreign exchange asset is exempt from tax if the net consideration from such transfer is invested in the specified assets or savings certificates within six months from the date of such transfer, subject to the extent and conditions specified in that section.

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

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

(h) As per provisions of Section 115I of the Act, a NRI can opt not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing return of income for that assessment year under Section 139 of the Act, declaring therein that the provisions of the chapter shall not apply for that assessment year. In such a situation, the other provisions of the Act shall be applicable while determining the taxable income and tax liability arising thereon.

(i) As per Section 115QA any income arising to shareholders on account of buy-back of shares as referred to in of the Act (buy-back of shares by unlisted companies) shall be exempt in the hands of the shareholders.

4. Benefits available to Foreign Institutional Investors ('FIIs') under the Act

(i) Dividends exempt under section 10(34) of the Act

As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by a shareholder from a domestic Company is exempt from tax. The domestic Company will be liable to pay dividend distribution tax at the rate of 15% plus a surcharge of 10% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon on the total amount distributed as dividend.

(ii) Long – term capital gains exempt under section 10(38) of the Act

LTCG arising on sale equity shares of a company subjected to STT is exempt from tax as per provisions of Section 10(38) of the I.T. Act.

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

(iii) Capital gains

As per provisions of Section 115AD of the Act, income (other than income by way of dividends referred to Section 115-O) received in respect of securities (other than units referred to in Section 115AB) is taxable at the rate of 20%. No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act.

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

For corporate FIIs, the tax rates mentioned above stands increased by surcharge at the rate of 2% if the total income exceeds Rs 1,00,00,000 and 5% in case total income exceeds Rs 10,00,00,000.

For non-corporate FIIs, the tax rates mentioned above stands increased by surcharge at the rate of 10% if the total income exceeds Rs 1,00,00,000.

Further, education cess and secondary and higher education cess is payable at the rate of 2% and 1% respectively by all categories of FIIs on the tax rate and surcharge thereon.

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

As per Section 115QA any income arising to shareholders on account of buy-back of shares as referred to in Section 115QA of the Act (buy-back of shares by unlisted companies) shall be exempt in the hands of the shareholders.

(iv) Securities Transaction Tax

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

(v) *Tax Treaty benefits*

As per provisions of Section 90(2) of the Act, FIIs can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the FII, whichever is more beneficial. It needs to be noted that a non-resident is required to hold a valid tax residency certificate containing the particulars prescribed under Notification No S.O.2188(E) dated 17 September 2012 issued by the Central Board of Direct Taxes in order to claim benefits under the applicable tax treaty.

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

5. Benefits available to Mutual Funds under the Act

(i) *Dividend income*

Dividend income, if any, received by the shareholders from the investment of mutual funds in shares of a domestic Company will be exempt from tax under section 10(34) read with section 115O of the Act.

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

6. Venture Capital Companies/Funds

In terms of Section 10 (23FB) of the Income Tax Act, 1961, all Venture Capital Companies / Funds registered with Securities and Exchange Board of India subject to the conditions specified, are eligible for exemption from income tax on all their income, including income from dividend.

7. Gift Tax Act, 1958

Gift tax is not leviable in respect of any gifts made on or after October 1, 1998.

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.

2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

3. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant DTAA, if any, between India and the Country in which the non-resident has fiscal domicile.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information in this chapter has been extracted from the websites of and publicly available documents from various sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with this Offer has independently verified the information provided in this chapter. Industry sources and publications, referred to in this chapter, 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.

OVERVIEW OF THE GLOBAL AND INDIAN ECONOMY

Global Scenario

The global economic activity appears to be stabilizing, but with markedly divergent growth between advanced and emerging economies, and between commodity exporters and importers. Monetary policy stances across countries have been easing and market expectations on the timing of the US monetary policy normalization have been pushed back. In response, there have been large movements in exchange rates and other asset prices. Reflecting risk appetite and search for long-term yields have fallen to record lows amidst heightened volatility in financial markets. Even though financial conditions are easy and are being reflected in financial asset prices, the outlook for global growth remains moderate, held back by still-weak demand.

The table below shows the real GDP growth (Y-o-Y, %) –

Period	Q1-2014	Q2-2014	Q3-2014	Q4-2014	2015P
Advanced Economies					
United States	1.9	2.6	2.7	2.4	3.6
Euro area	1.1	0.8	0.8	0.9	1.2
Japan	2.1	-0.4	-1.4	-0.7	0.6
United Kingdom	2.7	2.9	2.8	3.0	2.7
Canada	2.1	2.6	2.7	2.6	2.3
Emerging Market Economies					
China	7.4	7.5	7.3	7.3	6.8
Russia*	0.6	0.7	0.9	0.4	-3.0
Brazil*	2.7	-1.2	-0.6	-0.2	0.3
Mexico	0.9	2.8	2.2	2.6	3.2
South Africa	2.1	1.3	1.5	1.3	2.1
Memo Items:	2014				2015P
World Output	3.3				3.5
World Trade Volume	3.1				3.8

P: Projection.

*not seasonally adjusted

Sources: OECD, IMF and Bloomberg.

The United States growth has been firming up, aided by improving labor and housing market conditions. The sharp appreciation in the US dollar in recent months could, however, dampen prospects for exports. The Euro area, economic conditions remain weak although some pick-up in Q4 of 2014 and the early months of 2015 is being observed, supported by lower crude prices and the depreciation in the euro as well as increased bank lending. In China, activity has slowed over the second half of 2014 and Q1 of 2015 as investment demand lost pace and the real estate sector weakened on deleveraging and financial repair among households and corporations. The Russian economy slowed sharply due to falling oil prices and Western sanctions. Contraction continues in Brazil as high inflation squeezes domestic demand. Falling oil and commodity prices also weighed on growth prospects of countries in the Middle East, Eastern Europe and Latin America.

The pace of global trade continues to be weighed down by both cyclical and structural factors, with world trade volume growing by only 3.1 % in 2014 - well below the pre-crisis trend. Even though world trade growth is expected to pick up moderately along with improvement in global output in 2015, risks continue to tilt downwards.

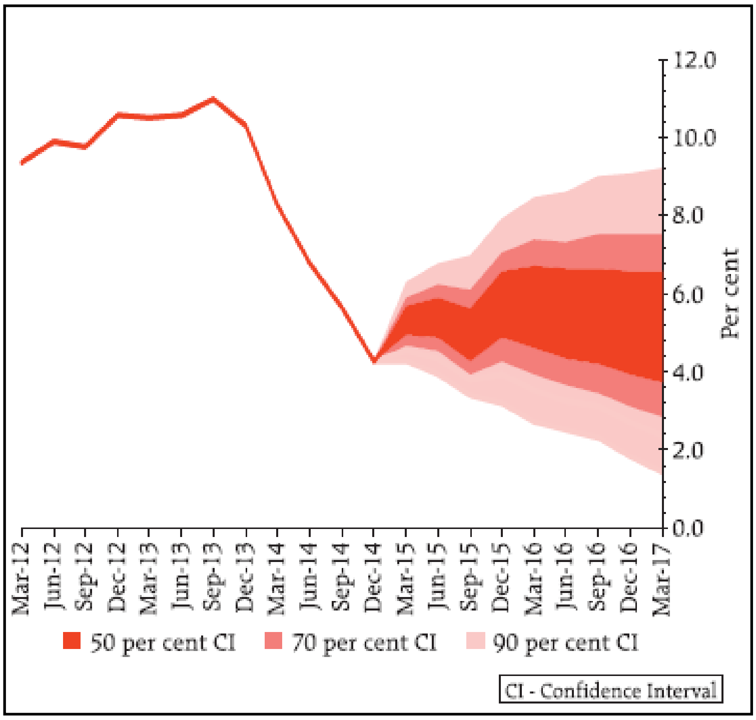
Since August 2014, strong supply positions have led to a drastic fall in world energy prices, with Brent and WTI crude oil prices falling below US$ 50 per barrel in January 2015. Most non-energy prices have also been on a steady decline. Global food prices continue to slide downward, underpinned by strong production expectations, robust inventories, the strong US dollar and limited demand from major importers like China. Looking ahead, commodity prices will likely remain stable as slack in the global economy persists.

With respect to inflation, the Euro area is struggling to emerge out of a deflationary spiral with CPI inflation of (-) 0.1% in March. In the US and the UK, inflation has been declining since the second half of 2014, with zero inflation in February in both countries. For the UK, low food and fuel prices have been the prime factors for keeping inflation low. In the US, appreciation of the dollar has also had a disinflationary effect. In Japan too, CPI inflation has shrugged off the effects of the hike in the consumption tax in April 2014 and has steadily fallen to 2.2 %, primarily driven down by falling commodity prices
(Source: Monetary Policy Report, issued by RBI on April 01, 2015)

Indian Scenario

Since the first Monetary Policy Report (MPR) of September 2014, tectonic shifts in the global and domestic environment drastically changed the initial conditions that had underpinned staff’s outlook at that time. The most significant shock to forecasts has been the collapse of international commodity prices, particularly those of crude. For the Indian economy, this translated into a sizable softening of prices of both raw materials and intermediates. Their pass-through, given the persisting slack in economic activity, weakened pricing power and fed into a faster than anticipated easing of output price pressures.

It is indicated that the CPI inflation will remain below the target of 6 % set for January 2016, hovering around 5 % in the first half of 2015-16, and a little above 5.5 % in the second half, as can be seen in the chart below–



CPI Inflation (year by year projection)

Medium-term projections derived from model estimates assuming an unchanged economic structure, fiscal consolidation in line with the recalibrated path, a normal monsoon and no major exogenous or policy shocks indicate that CPI inflation in 2016-17 could be around 5.0 %in Q4 of 2016-17, with risks evenly balanced around it.

Advance estimates of the CSO indicate that the growth of real GDP (market prices) picked up to 7.4 % in 2014-15 from 6.9 % a year ago. However, the Real Gross Domestic Product (GDP) growth for 2014-15 was projected by the Reserve Bank at 5.5 %. The CSO's provisional estimates of GDP (base: 2004-05) tracked staff's projected path well up to Q2 of 2014-15. The new GDP data (rebased to 2011-12) released by the Central Statistics Office (CSO) at the end of January 2015 and on February 9, however, came as a major surprise as it produced significantly higher growth at constant prices.

Driving this quickening of activity, the weighted contribution of private final consumption expenditure is estimated to have risen to 4.1 % in 2014-15 from 3.6 % in 2013-14. Quarterly data suggest, however, that the growth of private final consumption expenditure slowed down considerably in Q3 of 2014-15; it would need to have grown by around 12 % in Q4 to match advance estimates of 7.1 % for the full year.

In the money markets, interest rates eased during Q3, barring intermittent spikes around the third week of October due to festival-related pick-up in currency demand, and again in the second half of December on account of advance tax payments and quarter-end balance sheet adjustments.

Pro-active liquidity management under the new operating procedure of monetary policy has played a key role in the seamless transmission of policy impulses through the money markets.

In the foreign exchange market, the predominant driver has been robust capital flows that started from March 2014. The exchange rate of the rupee moved in a narrow range of ₹61.04 - 62.14 per US$ but with an upward bias through most of Q3. From December 10, however, the rupee experienced downward pressures, slipping to a recent low of ₹63.75 on December 30 on a combination of factors – spillovers from the Russian currency crisis.

The forward market also exhibited heightened activity in Q3, with the six-months forward premium declining from 8.16 % on October 9 to 7.13 % on December 26.

The Union Budget 2015-16 has provided for higher allocations to infrastructure and a substantial increase in the resource transfer to states, keeping in view the two-fold objectives of promoting inclusive growth and strengthening fiscal federalism. This has necessitated a deviation from the fiscal consolidation trajectory in 2015-16 and an extension of the period of convergence to the 3 % target for the gross fiscal deficit (GFD) as a proportion to GDP by one year. The budgeted reduction in GFD in 2015-16 reflects the combined impact of a compression in plan revenue expenditure and an increase in non-debt capital receipts.
(Source: Monetary Policy Report, issued by RBI on April 01, 2015)

PHARMACEUTICALS MARKET

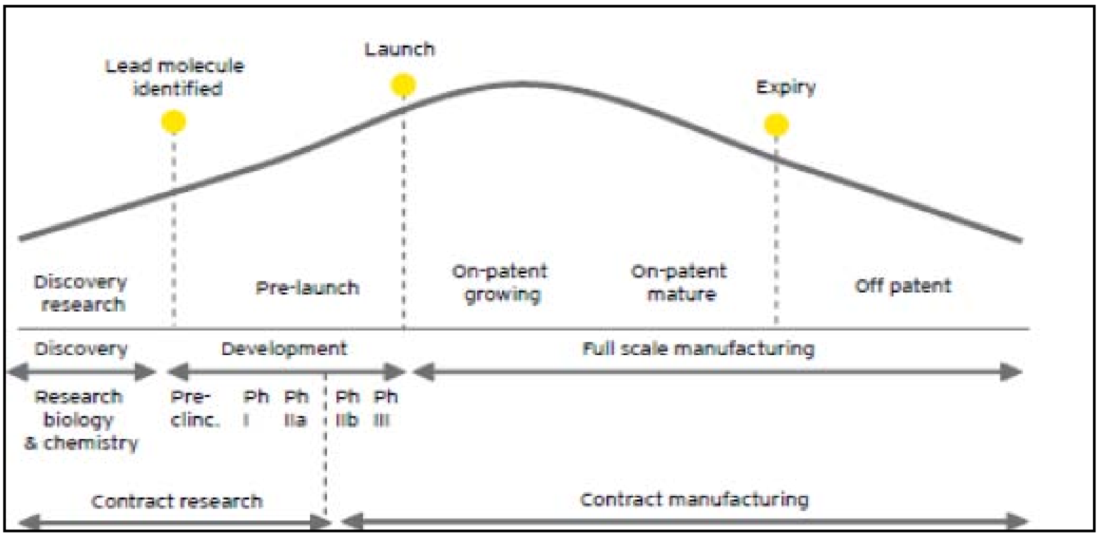
The global pharmaceuticals market can be classified into two categories:

- Regulated Market
- Unregulated or Semi-regulated Market

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 or 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.

Pharmaceutical Value Chain



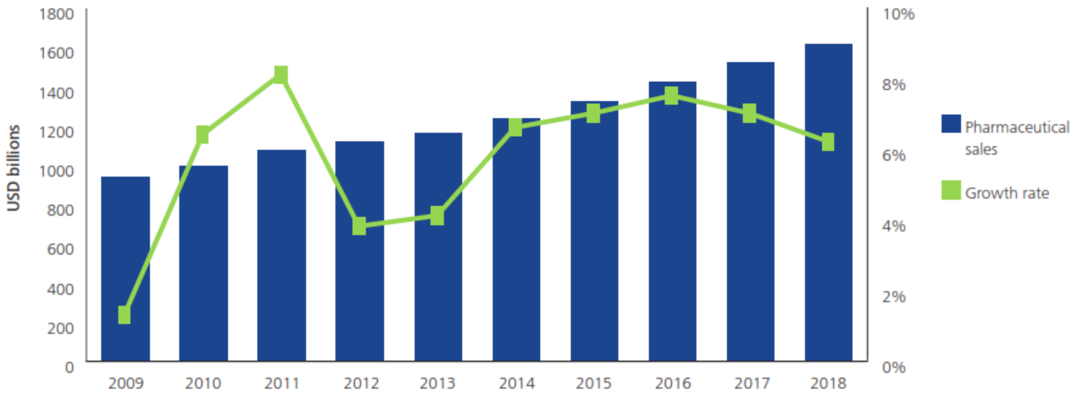
(Source: OPPI – E&Y Report on "Taking Wings: Coming of Age of the Indian Pharmaceutical Industry")

OVERVIEW OF GLOBAL AND INDIAN PHARMACEUTICAL INDUSTRY

Global Scenario

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

The image below represents the Global Pharmaceutical segment revenue



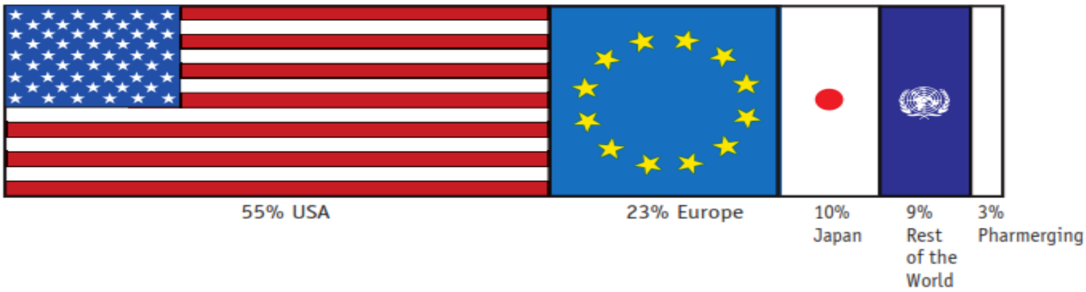
(Source: - Deloitte)

The research-based pharmaceutical industry can play a critical role in restoring Europe to growth and ensuring future competitiveness in an advancing global economy. In 2013 it invested an estimated € 30,630 million in R&D in Europe. It directly employs more than 690,000 people and generates three to four times more employment indirectly – upstream and downstream – than it does directly. However, the sector faces real challenges. besides the additional regulatory hurdles and escalating R&D costs, the sector has been severely hit by the impact of fiscal austerity measures introduced by governments across much of Europe since 2010.

- There is rapid growth in the market and research environment in emerging economies such as Brazil, China and India, leading to a gradual migration of economic and research activities from Europe to these fast-growing markets. In 2013 the Brazilian and Chinese markets grew by 17% and 14% respectively compared to an average market growth of 1% for the five major European markets and 3% for the US market.

- In 2013 North America accounted for 41.0% of world pharmaceutical sales compared with 27.4% for Europe. According to IMS data, 55% of sales of new medicines launched during the period 2009-2013 were on the US market, compared with 23% on the European market.
- The fragmentation of the EU pharmaceutical market has resulted in a lucrative parallel trade. This benefits neither social security nor patients and deprives the industry of additional resources to fund R&D. parallel trade was estimated to amount to € 5,465 million (value at ex-factory prices) in 2012.

The image below represents the geographical breakdown (by main markets) of sales of new medicines launched during the period 2009-2013:



(Source: - European Federation of Pharmaceuticals & Associations)

Indian Scenario

The Indian pharmaceuticals market is an extremely unique market. India has achieved an eminent global position in pharmaceutical sector. It is the third largest in terms of volume and thirteenth largest in the world in terms of value. The market is dominated majorly by branded generics which constitute nearly 70 to 80 % of the market.

The pharmaceutical sector is considered to be a highly fragmented industry. Thus, consolidation has increasingly become an important feature of the Indian pharmaceutical market.
(Source: Sectoral Report, issued by IBEF, in February 2015)

Market Size

The Indian pharmaceutical industry is estimated to grow at 20% compound annual growth rate (CAGR) over the next five years, as per India Ratings, a Fitch Group company. Indian pharmaceutical manufacturing facilities registered with US Food and Drug Administration (FDA) as on March 2014 was the highest at 523 for any country outside the US.

It is expected that the domestic pharmaceutical market will grow at 10-12% in financial year 2015 as compared to 9 % in the financial year 2014 as per a recent report from Centrum Broking. The domestic pharmaceutical growth rate was 11.9% in October 2014.

Also, growing at an average rate of about 20 %, India's biotechnology industry comprising bio-pharmaceuticals, bio-services, bio-agriculture, bio-industry and bioinformatics may reach the US$ 7 billion mark by the end of FY15, according to an industry body. Biopharmaceutical is the largest sector contributing about 62 % of the total revenue, with revenue generation to the tune of over Rs 12,600 crores (US$ 2.03 billion). The bio-pharmaceutical sector comprises vaccines, therapeutics and diagnostics.
(Source: Sectoral Report, issued by IBEF, in February 2015)

Overall Growth

The above chart shows the growth and profitability of the drugs & pharmaceutical industry in the year 2013-14 along with the % change over the years.

No.	Particulars	Quarterly			Annual		
		June'13	Sept.'13	Dec.'13	2010-11	2011-12	2012-13
1	Sales	5.46	8.04	9.67	13.76	15.76	9.59
2	Total expenses	6.15	11.10	11.44	18.13	16.28	4.95
3	Raw Materials, Stores& spares	5.58	4.18	2.94	18.54	10.37	4.39
4	Salaries & Wages/Compensation	14.63	11.67	11.35	17.76	16.60	17.03
5	Power & fuel	11.75	-2.87	-1.82	23.13	19.19	21.81
6	Depreciation	13.77	11.14	10.87	15.23	13.65	10.23
7	Interest expenses	8.15	24.89	10.85	-5.88	23.42	23.80
8	Tax provision	17.33	3.44	152.44	96.48	-53.40	38.15
9	PBDIT net of P&E	21.34	-2.18	18.90	9.83	13.95	8.78
10	PAT net of P&E	50.83	-25.85	179.49	2.56	-3.19	26.37
11	PBDIT net of P&E/Net Sales (%)	14.19	17.54	17.55	19.46	17.16	15.87
12	No. of Companies data -Count	158.00	159.00	159.00	431.00	333.00	256.00

Source: Center for Monitoring Indian Economy (CMIE) as on 24thMay, 2014

The net sales of the drugs and pharmaceutical industry returned to growth in the March 2013 quarter after falling by 1.6% in the December 2012 quarter & accelerated thereafter. Aggregate net sales of the industry grew by 2.5% in March 2013, 5.5% in the June 2013 quarter and by 8.0% in the September 2013 quarter.

The industry posted a growth of 9.7% in net sales in the December 2013 quarter as compared to the corresponding period last year. This was the fourth consecutive quarter of growth in net sales. Although the industry reported a single-digit growth in net sales, its total income rose by a healthy 28.5%. The acceleration in the sales growth was supported by domestic companies. With an aggregate sales growth of 11.9%, the 146 listed domestic pharmaceutical companies significantly outperformed their multinational counterparts. Domestic companies account for around 80 % of the industry's revenues. The growth in net sales of domestic companies was broad-based with 68 % companies posting higher sales than year ago. This is clearly shown in the chart given above.

The following chart shows the exports of medicinal and pharmaceutical products for the years 2010-11, 2011-12 and 2012-13. The exports have been increasing steadily.

Year	Exports of Medicines & Pharmaceuticals Products (Rupees in Crore)
2010-11	42353.28
2011-12	51393.29
2012-13	55692.53

(Source: Centre for Monitoring Indian Economy)

The following chart shows the exports of medicinal and pharmaceutical products for the years 2010-11, 2011-12 and 2012-13. The imports have also been increasing steadily.

Year	Import of Medicines & Pharmaceuticals Products (Rupees in Crore)
2010-11	11113.86
2011-12	14287.66
2012-13	16965.09

(Source: Centre for Monitoring Indian Economy)

(Source: Annual Report 2013-14, issued by the Department of Pharmaceuticals)

Government Initiatives that boost Pharmaceutical sector

The Addendum 2015 of the Indian Pharmacopoeia (IP) 2014 is published by the Indian Pharmacopoeia Commission (IPC) on behalf of the Ministry of Health & Family Welfare, Government of India. The addendum would play a significant role in improving the quality of medicines which in turn promote public health and accelerate the growth and development of pharma sector.

The Government of India has unveiled 'Pharma Vision 2020' aimed at making India a global leader in end-to-end drug manufacture. It has reduced approval time for new facilities to boost investments. Further, the government has also put in place mechanisms such as the Drug Price Control Order and the National Pharmaceutical Pricing Authority to address the issue of affordability and availability of medicines.

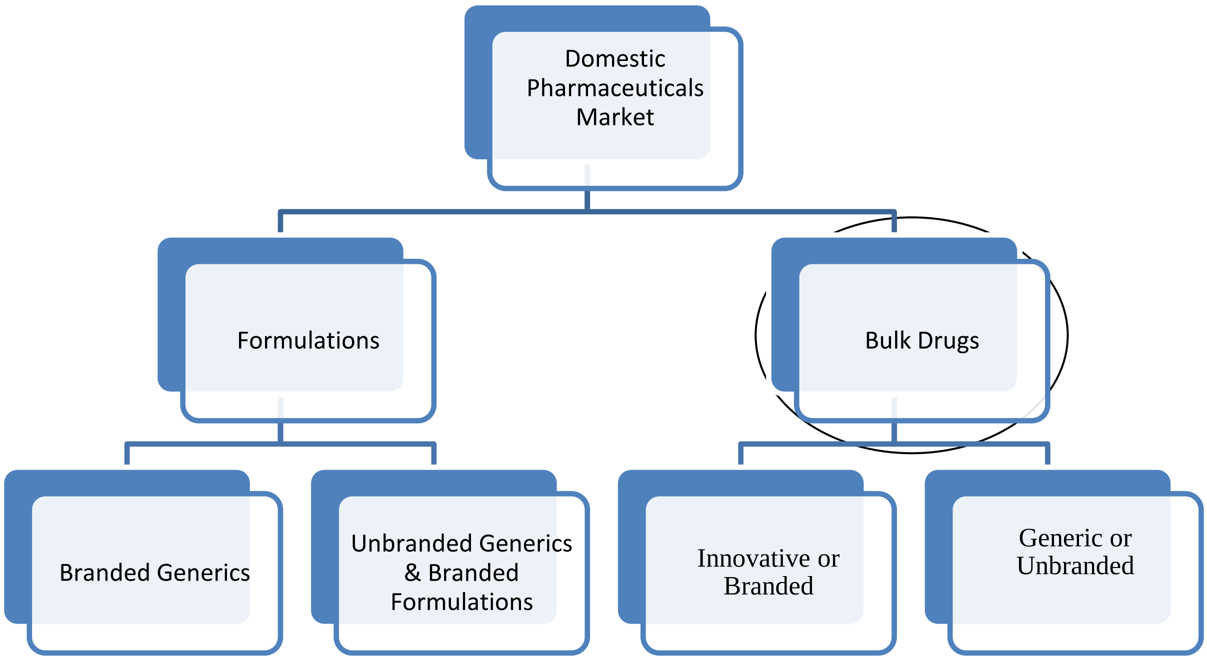
Some of the major initiatives taken by the government to promote the pharmaceutical sector in India are as follows:

- Indian and global companies have expressed investments worth Rs 1,000 crores (US$ 161.78 million) in the pharmaceutical sector of Gujarat. The memorandums of understanding (MOU) would be signed during the Vibrant Gujarat Summit.

- Telangana has proposed to set up India's largest integrated pharmaceutical city spread over 11,000 acres near Hyderabad, complete with effluent treatment plants and a township for employees, in a bid to attract further investment of Rs 30,000 crores (US$ 4.85 billion) in phases. Hyderabad, which is known as the bulk drug capital of India, accounts for nearly a fifth of India's exports of drugs, which stood at Rs 90,000 crores (US$ 14.56 billion) in 2013-14.

(Source: Sectoral Report, issued by IBEF, in February 2015)

Classification of Pharmaceutical industry on the basis of product



The products manufactured by the Indian pharmaceutical industry can be broadly classified into bulk drugs (active pharmaceutical ingredients - API) and formulations.
Of the total number of pharmaceutical manufacturers, about 77% produce formulations, while the remaining 23% manufacture bulk drugs. Drugs are sold as syrups, injections, tablets and capsules.
Ajmera Pharmasure Pvt. Ltd concentrates mainly involved in the business of Bulk Drugs (API’s).

Bulk Drugs

Bulk Drugs or Active Pharmaceutical Ingredients (API) are the principal ingredients for finished pharmaceutical products. Intermediates are the compounds from which active pharmaceutical ingredients are prepared.

Based on the pharmaceutical customer base, the Indian API manufacturing segment can be divided into two sectors:

- **Innovative or Branded:**
  Any non patented molecule with a brand name other than the innovator's name is termed as a branded generic. India is primarily a branded generics (molecular copy of an off-patent drug with a trade name) market.

- **Generic or Unbranded:**
  In this market segment, there isn't a lot of scope. The market share is quite low. Additionally, there is lack of proper regulations and guidelines and doctor's comfort.
  The government of India has a program for such kind of drugs named "Jan Aushadi".

According to a new market report published by Transparency Market Research, the global active pharmaceutical ingredients (API) market was valued at USD 119.7 billion in 2013 and is anticipated to reach USD 185.9 billion by 2020, expanding at a CAGR of 6.5% during the forecast period from 2014 to 2020.
(Source: *Active Pharmaceutical Ingredients (API) Market - Global Industry Analysis, Size, Share, Growth, Trends and Forecast 2014 – 2020)*

Global API Industry

The global API market can broadly be divided into regulated and semi regulated markets. The semi regulated markets offer low entry barriers in terms of regulatory requirements and intellectual property rights. The highly regulated markets, like the United States and Europe, have high entry barriers in terms of intellectual property rights and regulatory requirements, including facility approvals. As a result, there is a premium for quality and regulatory compliance along with relatively greater stability for both volumes and prices.

In recent years, drug manufacturers in advanced markets namely Europe and US have been facing increasing competition from developing nations given their capabilities in API manufacturing and finished dosage form drugs. While overall global demand for pharmaceutical products has benefited from the rapid growth in certain developing markets, the presence of manufacturers within these markets, who have lower cost structures, have resulted in downward pricing pressure throughout the pharmaceutical supply chain, and especially on generic APIs and certain development services for clinical phase products. Going forward, ICRA expects the downward pricing pressure to continue in the API segment and believes that regulatory compliance, product quality, pricing, and logistics will determine the extent of the long term impact of the low cost Asian competitors in the global bulk drug industry.
(Source: Pharmaceutical Bulk Drug Industry: Trends & Outlook, issued by ICRA)

The API market is very competitive as there are more than 2,000 firms, which produce APIs and these firms have more than 5,000 manufacturing sites around the world.
In the US and EU there are some major API manufacturers, which produce some specialty API's which share a major fraction of global market. A significant numbers of API manufacturers are located around Asia, specifically in India and China. This has led to more and more pharmaceutical companies to outsource API manufacturing to such countries. Merck, AstraZeneca and GlaxoSmithKline, Teva Active Pharmaceutical Ingredients (TAPI), Dr. Reddy's Laboratories, Aurobindo, Cipla, Sandoz, Sandoz-Lek-Biochemie, Ranbaxy, Matrix, Sun Pharma, BASF SE, Fabbrica Italiana Sintetici, GlaxoSmithKline, Pfizer CentreSource, Royal DSM and Zhejiang Hisun Pharmaceutical Co. Ltd., are the leading API manufacturers in the world.

Teva Active Pharmaceutical Ingredients (TAPI) is the leading manufacturer of APIs in the world today with over 75 years of experience and around $750 million annual sales. The company currently manufactures more than 300 API's.

Aurobindo and Cipla each manufacture 200 APIs, exporting their products to well over 200 countries worldwide. Dr. Reddy's is another leading manufacturer of APIs with over 60 APIs that are used for drug manufacture, diagnostic kits, critical care and biotechnology products.

Sun Pharma manufacture APIs at 9 different plants located at Hungary, Israel and the U.S. They have expanded their API manufacturing and currently produce over 200 APIs. Sandoz is a subsidiary of Novartis, a multinational pharmaceutical company. As of 2011, Sandoz was the world's second largest generic drug company with total revenue of nearly $11 billion. Sandoz offer around 20 API products
Ranbaxy is a leading pharmaceutical company that supplies APIs to leading innovators and generic companies in more than 65 countries. They currently have four API manufacturing facilities across India where they produce just over 100 API products.

(Source:Pharmabiz.com)*

Country wise market share

According to a recent report, in 2008 the global API market (including both captive and merchant) worth was $91 billion, and it increased to $113 billion in 2012. From 2008 to 2012, the global API market increased at an average annual growth rate of 5.6%, though it is less compared to an annual growth rate of 7.2 % from 2004 to 2008. The market, which stood at US$ 113 billion in 2012, is expected to grow at a CAGR of around eight % during 2012-2017.

The North American API market is the largest (including both captive and merchant markets) and the Asia Pacific API market followed it. The growth in the Asia Pacific API market is more than the North American API market. The North American share of the global API market declined at 3% between 2008 and 2012 as the share of Asia Pacific increased.

North America's share was 43 % in 2012, down from 46 % in 2008. The US remains the largest global market on a country basis, accounting for 39.7 % of the global API market in 2012.

Asia Pacific's share was 28.3 % in 2012, up from 24.2 % in 2008, according to the CPA report. Led by India and China, Asia Pacific has had the highest recent growth in the API market.

Asia Pacific accounted for 39.6 % of the global generic API merchant market in 2012. China is the largest consumer on a country basis of generic APIs in the merchant market, accounting for 23.7 % of the global total, surpassing the North American market as a whole (21.9 %) and the US (20.4 %). During 2008-2012, China registered the fastest annual average growth rate in the generic API merchant market at 13.2 %, followed by India at 11.9 %.

Collectively, the two countries accounted for 29.7 % of the global generic API merchant market, according to the CPA report.

On a global supply basis, China remains the largest producer of generic APIs, largely for its domestic market as well as the largest exporter of APIs on global basis, primarily to emerging markets.

Italy retains its historical position as the largest supplier of generic APIs to both Western Europe and the US, although India's position as a supplier to developed markets is on the rise.

On a geographic basis, the highest growth rate for APIs between 2008 and 2012 was in Asia-Pacific (excluding Japan), which experienced average annual growth rate of 13.9%, followed by the Middle East with 8.7% average annual growth, and Eastern Europe and the Commonwealth of States (CIS) with 8.2 % average annual growth, according to the CPA report. The developed markets in Western Europe, North America, and Japan had slower annual growth rate. Western Europe's API market had the lowest annual average growth rate at 2.5 %, followed by Japan at 3.4 % and North America at 3.8 %.

Western Europe ranks second behind Asia Pacific in the supply of generic APIs on a global basis, but its market share declined from 16.7 % in 2008 to 14.2 % in 2012. Italy remains the largest producer of generic APIs in Western Europe, accounting for 58.3 % of the region's total, followed by Spain at 21 %. Italy is also the largest supplier of generic APIs to the US market. Italian API producers accounted for 31.2 % of the supply to the US generic API market in 2012, and their growth in supplying the US increased at an annual average growth of 5.2 % between 2008-2012.

By 2016, China is expected to account for 27.7 % of the global generic API merchant market, making it the largest market and surpassing the US, which will be the second largest global market with an 18.2 % share.
India will remain as the third largest merchant market for generic APIs with a projected 7.2 % by 2016, according to the CPA report. Ten emerging markets are projected to experience double-digit growth of 10 to 14 % in the generic API market. These countries are Brazil, China, Egypt, India, Jordan, Pakistan, South Africa, Thailand, Turkey and Vietnam.

The three main exporting countries of API products include Asia, Europe and North America, where the exports accounted for a total of 87.4 % bulk drugs. China produces more than 1,500 varieties of API products with the capacity approximating two or three million tonnes. In current scenario mergers and collaborations are the strategies followed in the global API industry as the newer market entrants cause threats to the existing small and medium manufactures, leading to high competition. To overcome these challenges, companies are now forming joint ventures for sharing technology to manufacture API drugs.

India unlike China (whose domestic market is the largest target for its API production) relies heavily on export sales. India's API production was valued at $4.70 billion in 2012, which has increased from $2.27 billion in 2008. India's supply to the US market increased at an average annual rate of 44 % from 2008 to 2012 i.e. from $255 million in 2008 to $1.12 billion in 2012. India is also increasing its supply to Western Europe, accounting for 19.2 % of the supply to the region.
(Source:Pharmabiz.com)

Future of Global API Industry

Globally, the active pharmaceutical ingredients (API) industry is entering a new growth phase. From new regulations to patent expiry and Para IV focus, the API industry is experiencing unprecedented growth due to the escalation in market dynamics of competition and consolidation.

The global API market, which was valued at US$119.7 billion in 2013, is likely to reach US$ 185.9 billion by 2020, expanding at a CAGR of 6.5 % during the forecast period from 2014 to 2020, according to a new market report published by Transparency Market Research.

The overall API market is expected to witness substantial growth during the forecast period from 2014 to 2020, wherein oncology and central nervous system drugs segments would play a vital role. These segments are expected to grow at the highest CAGR during the forecast period from 2014 to 2020. Cardiovascular drugs accounted for the largest market revenue share in 2013 due to the rising prevalence of cardiovascular diseases, sedentary lifestyle, and aging population.

The global market for APIs has been growing steadily in recent years. However, the recent economic recession slowed down the growth of the industry as investments made by the major players went down significantly. Furthermore with a large number of blockbuster drugs going off patent at the end of 2014, there is expected to be a major impact on the global API industry. Revenues of the API markets are likely to be affected as generic drugs take up the market.

Patent expiration of major drugs that increased generic drug sales, government initiatives, increasing aged population and regional penetration, local manufacturer expansion and high uptake of biologics are some of the factors that are driving the market growth. Whereas financial crisis, stringent regulatory policies, less investment in pharmaceutical industry and fragmented market are the factors that are hindering API market growth.
API companies will need to focus on manufacturing efficiencies and building partnerships with customers in order to succeed, according to a section of industry manufacturers across all markets of US, EU, Japan and the Asia-Pacific region.

Indian API companies like Aurobindo, Granules, Lupin, Divi Labs, Mankind Pharma, Shilpa Medicare, Hetero, Malladi, Dr. Reddy's, Micro Labs, Bal Pharma, Biocon among others are realizing and exploiting the potential of the US and the European market with a slew of products.
(Source:Pharmabiz.com)

Indian API Industry

In 2013, India's generic drug industry was estimated to US$ 19 billion and it ranks third globally, which contributes about 10 % to global pharmaceutical production. In India, pharmaceutical manufacturing units are largely concentrated in two states i.e. Maharashtra and Gujarat, which account for about 45 % of the total number of pharmaceutical manufacturing units in India.

The generic APIs market is expected to continue to rise faster than the branded or innovative APIs, by 7.7 % per year and is expected to reach $30.3 billion in 2016. Asia-Pacific is expected to show the fastest growth rates of 10.8 % per year. The 24 fastest growing markets will include 11 in Asia-Pacific, seven in Eastern Europe and CIS, four in Africa-Middle East and two in Latin America.

According to a report, the market share held by Indian API manufacturers in the global API market (generic APIs and branded/innovator APIs) was 6.5 % in 2005, which has been increased at the rate of 12.0 % till 2010, and is expected to increase to at the rate of 22 % by 2015. India's share of the global generic API merchant market has increased from 13.5 % in 2005 to 22.1 % in 2010 and is expected to increase to 33.3 % by 2015. Export sales of generic APIs from India increased at an average of rate of 18.9 % during 2005–2010.
(Source:Pharmabiz.com)

Future of Indian API Industry

The sales of finished APIs are increasing at faster rate up to 40-45 % per year. This is due to the strategy of Indian companies to raise the added value of revenues.
In Western Europe, Indian generic active pharmaceutical ingredient companies increased their market share from 15.9 % in 2008 to 19.2 % in 2012. They are also penetrating the strictly regulated and wary Japanese market, albeit from a low base. More generally, Indian APIs and pharmaceutical companies have been filling approximately 39 % of the global market.

Indian active pharmaceutical ingredient firms are aggressively strengthening their credibility in regulated markets by obtaining approval for their products, therapeutic applications, and manufacturing facilities. These companies, including those selling finished dosage forms, continue to outpace Chinese, Italian and other competitors in terms of DMFs, which are seen as a gradient of quality.

Higher quality, coupled with cost-containment, makes an India increasingly attractive for API outsourcing. In fact, India has been recognized as one of the leading global players with the filing of large number of DMFs and dossier registrations for active pharmaceutical ingredients, with several manufacturing facilities approved by the regulatory authorities of developed countries.
(Source:Pharmabiz.com)

OUR BUSINESS

This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled 'Risk Factors' and 'Financial Information' and the chapter titled 'Management Discussion and Analysis of Financial Condition and Results of Operations' beginning on page nos. 9, 147 and 189 respectively, of this Draft Prospectus.

Unless the context otherwise requires, in relation to business operations, in this chapter of this Draft Prospectus, all references to "we", "us", "our" and "our Company" are to Ajmera Pharmasure Limited and Group Entities as the case may be.

OVERVIEW

We are a pharmaceutical trading and manufacturing organisation having established arrangements with manufacturers of key molecules and we supply the same to pharmaceutical manufacturing companies and ensure for them regular and assured supplies to match their manufacturing schedules. We work in a close collaboration with some of India's leading pharmaceutical companies and formulators and have been appointed as exclusive distributors for some leading pharmaceutical companies.

Our Company, Ajmera Pharmasure Limited, is part of the diversified Ajmera Group, having various businesses in Securities Market, Real Estate, Hospitality and Pharmaceuticals. Our Company was incorporated in 1990 for exporting, importing and supplying bulk drugs, vitamins, steroids and other APIs.

Our Company is engaged in the business of trading of Bulk Drugs – Active Pharmaceutical Ingredients ("API"). Our Company procures in bulk various APIs and supplies the same to formulators and other generic pharmaceutical players in both domestic and international markets. We provide ready finance to API manufacturers by buying their products in bulk and aid the formulators with steady supply. Our Company has exclusive agencies in the state of Maharashtra for various API & Chemical manufacturers like IOL Chemicals & Pharmaceuticals Ltd., Mascot Industries, Magma Industries, Lasa Laboratory Pvt. Ltd. and Dymes Pharmachem Ltd. We cater to over 100-150 customers and our product portfolio offers a diversified product range which includes varied pharmaceutical areas like Non Steroidal Anti – Inflammatory Drugs (NSAIDs), Anti – Infection Drugs, Anti – Oxidants, Anti – Fungal, fertility drugs and Oncology Drugs. We have a storage and logistic facility at Bhiwandi in Mumbai and at Lasudia Mori in Indore, where our goods our stored and supplied to the formulators and other manufacturers as per the order received.

Over the years, we have pursued both organic and inorganic growth strategies to strengthen our presence in the pharmaceutical industry. In the year 2013, we acquired the manufacturing unit of Abhishek Organics Pvt. Ltd. and established it as our subsidiary, re-christening it as Ajmera Organics Pvt. Ltd. ("Ajmera Organics"). Through our subsidiary, we ventured into manufacture of APIs like Ferrous Fumarate (IP / BP / USP / FCC), Fumaric Acid, Bronopol and Povidone Iodine, with concentration on manufacture of Ferrous Fumarate. The manufacturing unit of Ajmera Organics is situated in Tarapore, near Mumbai. The plant currently has a capacity of manufacturing approximately 150 tons per month of Ferrous Fumerate. We are strategically backward integrated with combination of technologies, for instance we are backward integrated in the manufacturing of Fumaric acid which is required for Ferrous Fumarate. This has enabled us to maintain our quality standards and ensured un-interrupted supply of a key raw material ingredient in the manufacturing process. Our Tarapore Unit, (owned by our Subsidiary Ajmera Organics Pvt. Ltd.), is ISO 9001:2008 certified for its scope of activities which include manufacture, supply and export of pharmaceutical ingredients and chemicals.

We have an in-house R&D lab at our manufacturing unit at Tarapore to support technology transfer for new products and on-site process improvement. As on date of this Draft Prospectus, we have three (3) people actively involved in R&D activities. Our R&D capabilities enable us to support our growth strategy by developing new products and processes which enhance our product range. The focus of our R&D has been to strive for continuous process improvements and achieving manufacturing cost efficiencies for existing as well as new APIs and Intermediates. Our expenditures towards R&D activities were₹ 3.15 lakhs, ₹ 2.71 lakhs and ₹ 1.77 lakhs in F. Y. 2014-15, 2013-14 and 2012-13 respectively, showing an increasing trend of our efforts to invest in R&D.

In the past three (3) years our revenues have increased from ₹ 3,380.62 lakhs in F. Y. 2012-2013 to ₹ 4,857.16 lakhs in F. Y. 2013-14 showing an increase of 43.68%. However, our revenue in F.Y. 2014-15 was ₹ 3,481.99 lakhs showing a 28.31 % decrease over the last year. Our Net Profit before tax for the above mentioned periods are ₹ 138.42 lakhs, ₹ 200.39 lakhs and ₹ 87.03 lakhs.

Our consolidated operational revenues, as restated, were ₹ 3,877.19 lakhs and ₹ 5,240.52 lakhs for the Fiscal 2014 and 2015 respectively. Our consolidated net profits, as restated, were ₹ 198.58 lakhs and ₹ 87.10 lakhs in each of the Fiscals 2014 and 2015 respectively.

OUR STRENGHTS

Experienced Promoters

Our Promoter Company is engaged in the pharmaceutical business and is part of a conglomerate of Ajmera Group. Our Promoters, some of whom who also form part of Board of Directors of our Company, have a proven background and rich experience of approximately 25 years in the pharmaceutical industry. Our Promoter, Mr. Jasmin Ajmera, started his career in pharmaceutical industry in the year 1990; for further details of our Promoter's experience and background, please refer the chapter titled "*Our Promoters and Promoter Group*" on page no. 130 of this Draft Prospectus. Also, our Company is managed by a team of experienced personnel. The team comprises of personnel having technical, operational and business development experience. We believe that our management team's experience and their understanding of the pharmaceutical trading business will enable us to continue to take advantage of both current and future market opportunities. It is also expected to help us in addressing and mitigating various risks inherent in our business, including significant competition, reliance on independent agents, and fluctuations in chemical prices.

Diversified variety of readily available APIs and diversified Customer Base

We provide a variety of APIs & chemicals to our clientele for their customized formulation needs. As a trading company, we in a position to always provide the latest products collected in-house for our customers and also conduct market expansion activities for our suppliers. Our continuous effort and belief in maintaining a healthy relationship with our suppliers ensures adequate inventory at any point. We procure stock and supply a diverse and multi application range of pharmaceutical & chemical products to satisfy the growing requirements of customers. We procure various types of APIs, which are used for varied purposes types of formulations including Anti-inflammatory drugs, Anti – Infection drugs, Anti-oxidants, Fertility drugs, oncology drugs, life saving cardiology drugs, etc. We are a multi product API & chemical trading company with a diverse products including Ibuprofen, Diclofenac Sodium / Potassium, Benfotiamine, Clomifen Citrate, Letrozol, Temoxifen Citrate, Albendazole, Oxyclozanide, etc. For further details, regarding our product portfolio, please refer "*Our Business - Products Portfolio*" on page no. 94 of this Draft Prospectus.

We provide long term credit facility to our customers. Our track record of delivering timely products has helped in forging strong relationships with our customers. We have a well diversified customer base of 100 – 150 customers spread in the state of Maharashtra and Madhya Pradesh and including our export customers. Our customers come from various types of pharmaceutical manufacturers and formulators. This reduces our reliance on few customers only.

Established Marketing Setup

Our Company was incorporated in the year 1990 and we are engaged in the trading of APIs and chemicals since incorporation. Over the years we have established a strong customer base and an unyielding marketing setup. Further, we have many companies forming part of Ajmera Group which are engaged in various other businesses including Real Estate, Hotels, etc. Our group has sufficient marketing expertise and wide marketing network, which is and would be channelled for our business and future expansion, if any.

We have a dedicated marketing division which oversees the marketing of different types of APIs and Chemicals for various geographical locations. We deal in both generic APIs (Ibuprofen, Diclofenac, Benfotiamine, Albendazole, etc.) and high value APIs (Clopidogrel, Letrazole, Temoxifen Citrate, Oxyclozanide, etc.) which need a different marketing approach. Further, our marketing team also works to maintaining the existing clients and acquiring new clients for our manufactured APIs (under our subsidiary company). Our marketing division has well experienced and adequate personnel to handle daily activities and are supervised directly by the Managing Director and Whole time Director.

Strategic Location of Storage Facility and Manufacturing Unit

Our Company has storage facilities of 4410 sq. ft. and 1445 sq. ft. in Bhiwandi (Mumbai) and Indore respectively.

Also, our Subsidiary has about 1,000 Sq. Mtrs or 10,764 sq. ft. of land in Tarapore, near Mumbai (owned by our subsidiary Ajmera Organics Pvt. Ltd.) and has set up its manufacturing unit on this land which is strategically located and is well connected by rail, roads and air with the rest of the country.

- Our storage facility in Bhiwandi is located approximately 20 km to the north-east of Mumbai and 15 km to the north-east of Thane city, and is well connected to NH-3 (Mumbai – Agra Highway) providing easy access to Mumbai, Thane, Nashik and rest of India. Our facility at Indore is approximately 7 km from NH-3 giving direct access to various routes within the state of Madhya Pradesh.
- The manufacturing unit is located in proximity to the city of Mumbai and is approximately 100 km from Mumbai International Airport. Also, it is about 20 km from the main National Highway No. 8 connecting Northern & Western India.
- The manufacturing unit is situated in MIDC which primarily offers us the advantage of one window licence for our manufacturing facilities, including water, pollution and effluent treatment approvals.
- The major raw materials i.e. ferrous sulphate, ammonia and maleic acid/solution are easily available from the manufacturers located in Maharashtra and Gujarat. Thus, procurement of these raw materials is less time consuming and comparatively cheaper due to savings on time and freight.
- Skilled and semi skilled workers are easily available in Tarapore in view of the large number of pharmaceutical & chemical industries located in the MIDC area of Tarapore.

Thus, the location of all our sites is advantageous to our company in transportation of trading goods, raw materials as well as the finished products.

Compliance with Quality Standards to serve international markets

The Tarapore Unit, (owned by our Subsidiary Ajmera Organics Pvt. Ltd.), is ISO 9001:2008 certified for its scope of activities which include manufacture, supply and export of pharmaceutical ingredients and chemicals. We believe that such a certification would allow us to market our products in regulated and semi – regulated markets.

Consistency in Quality and Service Standards

We follow stringent quality standards in our subsidiary's manufacturing unit to ensure that our products meet the Good Manufacturing Practices standards (GMP Standards). GMP is essential for manufacturing any pharmaceutical product intended for human consumption. These standards ensure the quality consistency of the manufactured product by ensuring that we employ well trained staff, have sufficient premises and equipment for manufacturing.

Our Company has agencies in the State of Maharashtra from various API & Chemical Manufacturers. This has allowed us to procure APIs & chemicals of a fixed grade and quality which in turn is supplied to the formulators and other pharmaceutical manufacturers. Our Company considers this as a major strength as pharmaceutical formulators value consistency in the products supplied to them. We also endeavour to provide an efficient service for our traded goods w. r. t. timeliness of delivery and availability of products on short notice.

Scalable Business Model

Our business model is order driven, and comprises of optimum utilization of our Narrow Width and Wider Width processing facilities, maximum capacity utilization, developing linkages with quality raw material suppliers and achieving consequent economies of scale. We believe that this business model has proved successful and scalable for us in the last few financial years. We can scale upward as per the requirement generated by our Company. The business scale generation is basically due to the development of new markets both international and domestic, by adopting aggressive marketing of the product, innovation in the product range and by maintaining the consistent quality of the product.

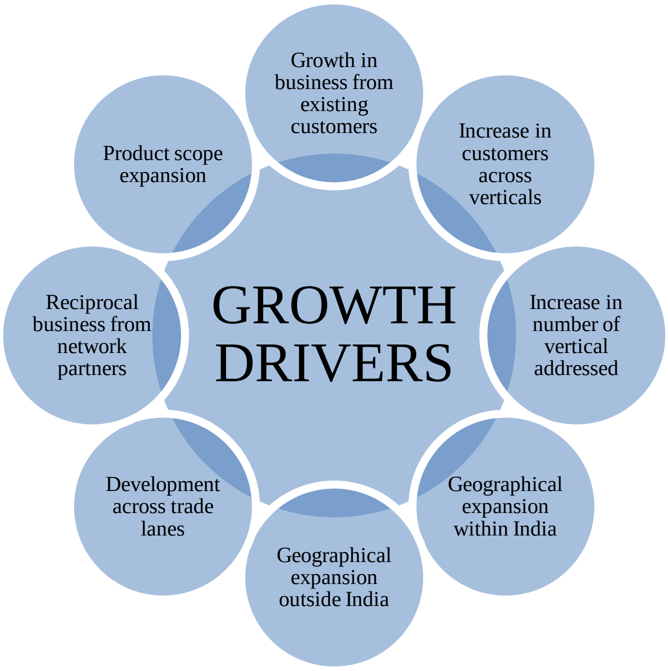
Cost effective production and timely fulfilment of orders

Timely fulfilment of the orders is a prerequisite in any industry. Our Company has taken various steps in order to ensure adherence to timely fulfilment and also to achieve greater cost efficiency. These steps include identifying quality raw materials suppliers for ferrous sulphate, Maleic Solution and Ammonia (which forms a bulk of our raw material cost), smooth labour relations, use of an efficient production system and ability to meet large and varied orders due to our capacity and linkages with raw material suppliers. Our Company also has enjoyed good relations with our suppliers of Maleic which is the primary raw material for our Fumaric acid, which in turn is essential for manufacture of our product, and as a consequence has had the benefit of timely supplies of the raw materials which has been one of the major reasons why we have been able to achieve timely fulfilment of orders of our customers. Our Company constantly endeavours to implement an efficient procurement policy for inputs required for production so as to ensure cost efficiency in procurement which in turn results in cost effective production.

OUR STRATEGIES

Our strategic objective is to improve and consolidate our position as a Pharmaceutical Manufacturer and Trader with a continuous growth philosophy. The diagram below represents our continuous growth philosophy being implemented on a day-to-day basis.

Our continuous growth philosophy is being driven with the strategic levers of operational excellence, strengthening existing services, customer satisfaction, ecosystem development, innovation and marketing.



Increasing Operational efficiency

We continue to invest in increasing our operational efficiency throughout the organization. We are addressing the increase in operational output through continuous process improvement, customer service, consistent quality and technology development. Alignment of our people to 'process improvement' through change management and upgrading of skills as required for customer satisfaction is a continuous activity. Awareness of this quality commitment is widespread among all the employees.

Increase our penetration into international markets including regulated markets

We seek to leverage our R&D capabilities to expand into international markets, including regulated markets where our strategy is primarily to become the preferred supplier of APIs and other chemicals to pharmaceutical companies. We intend to initiate dossier filings in the regulated markets and develop long term manufacturing relationships with customers. We have excellent relationship with our existing customers; we would work to strengthen our relationship further with these companies. Our existing manufacturing facility at Tarapore, near Mumbai is an ISO 9001:2008 certified manufacturing unit for APIs complying with GMP standards and we also intend to set-up a manufacturing unit for other APIs, including oncology APIs.

Geographical expansion

Our Company currently caters to over 100 – 150 customers across the State of Maharashtra. As part of our growth strategy, we intend to spread our trading reach to northern and southern parts of India and have identified high pharma growth states in these regions. While Andhra Pradesh had taken a lead in the southern region to establish a pharmaceutical and biotechnology hub in the country, many other states in the north are following its lead. Northern states like Himachal Pradesh and Uttarakhand have done exceptionally well to build a concrete industrial base for pharma sector. Accordingly, we have, as an initial step, identified cities like Baddi (Himachal Pradesh) and Roorkee (Uttarakhand) in northern India and Hyderabad (Andhra Pradesh / Telangana) in southern India, where we intend to expand the reach of our products. Gujarat also has developed as a pharmaceutical hub and we intend to expand our trade network under the Gujarat Industrial Development Corporation (GIDC)

Expand our manufacturing scope

Our subsidiary currently has a manufacturing unit which has capabilities for manufacture of Ferrous Fumarate, Fumaric Acid, Bronopol, and Povidone Iodine. We intend to further expand our manufacturing scope by manufacturing of Bulk Drugs including various APIs and Excipients under our Company. Our Company has identified a piece of land in Tarapore, near our existing unit (owned by Ajmera Organics Pvt. Ltd.), for setting up the new manufacturing unit and is under negotiations for finalising the same.

Our Company believes that expanding our scope to manufacturing other APIs, including oncology APIs will be aided by our existing customer base, long standing trade relations and our in-house R&D facilities. We intend to tap various geographical markets which will be possible only once we have a broad product base.

Focusing on R&D capabilities

With the growing scale of business, our Company intends to increase our focus on R&D facilities. Our Company intends to reap the benefit of R&D not only in developing custom and consistent manufacturing process, but also to synthesise efficient and technologically advanced products. Our Company believes that its focus on R&D will result in development of high quality products and processes and will form the basis for various patents, which in turn will give our Company a significant boost in brand value.

Our increased R&D effort will be aimed at pre formulation studies, prototype development, scale-up, optimization and technology transfer from unstable chemicals to successful API development.

DETAILS OF OUR BUSINESS

LOCATION

We currently operate from the following offices, storage facility and manufacturing unit in and around Mumbai, Maharashtra:

Registered Office

Our Registered Office is located at 63/67, Carmello’s Building, 4th Floor, Pathak Wadi Road, Mumbai – 400 002.

Storage Facilities

Our Company has two (2) Storage Facilities, used for storing the traded goods, i.e. APIs and Chemicals, which are located as below:

Gala No. K2 – 1 and K2 – 2, Manisuvrat Complex Phase II, Rahnal Village, Bhiwandi, Thane; and

22/3/2, S. D. A. Compound, Lasudia Mori, Behind Lasudia Police Station, Indore – 452 010

Manufacturing Unit

Our subsidiary, Ajmera Organics Pvt. Ltd., has a manufacturing unit which is located at E – 79, MIDC Tarapore Industrial Area, Boisar (W), Thane – 401 506. This unit also serves as the Registered Office for Ajmera Organics Pvt. Ltd.

For further details of ownership / lease of the above locations, please refer to “*Our Business – Properties*” on page no. 101 of this Draft Prospectus.

Plant and Machinery

Since we are primarily in the business of trading of pharmaceutical APIs and chemicals, we do not require any kind of Plant & Machinery. However, we do have an in-house Cold Storage Unit in our Storage Facility at Bhiwandi.

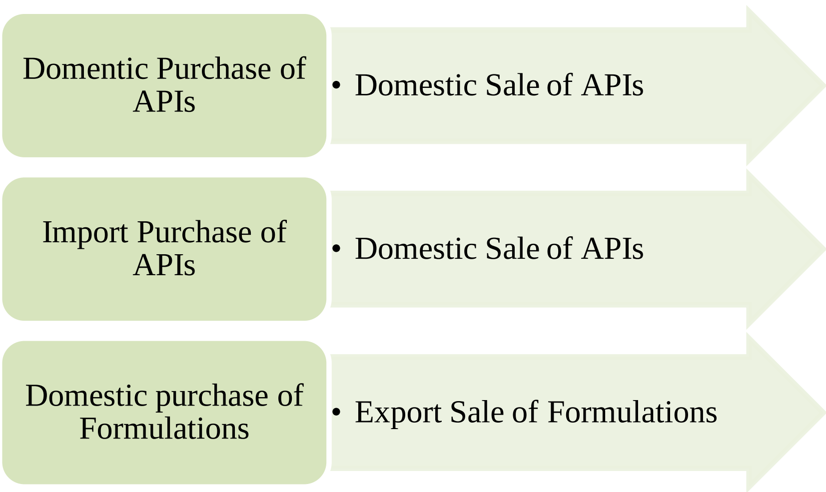
Further, our Subsidiary Company, Ajmer Organics Pvt. Ltd., is a manufacturing unit and has invested in the following Plant & Machinery:

Name of Machine	Make	Quantity
M. S. Reactor	Indigenous	02 Nos.
S. S. Reactor	Indigenous	01 No.
Centrifuge	D. Parekh	04 Nos.
Tray Dryers	Indigenous	03 Nos.
Boiler	Indigenous	01 No.
Rotary Vacuum Pump	Indigenous	02 Nos.
Transfer Pump	Vailankin Engeenring	05 Nos.
Shipter	Indigenous	01 No.
P. P. Reactor	Jay Ambey Fiber Glass	02 Nos.

PRODUCT PORTFOLIO

We are engaged in the business of trading and manufacturing of pharmaceutical bulk drugs i.e. Active Pharmaceutical Ingredients ('API'). Our Company provides ready finance to API manufacturers by purchasing large quantities of APIs from them and selling them to pharmaceutical manufacturers and formulators. We facilitate storage, ready finance and logistics of the APIs enabling the API manufacturers to concentrate on their manufacturing.

All our revenues from trading of APIs are generated through sales in India. However, we import certain APIs from China and Hong Kong. Our trading business model can be summarised as below:



We cater to the requirements of various formulators and pharmaceutical manufacturers by providing a wide range of products. We have obtained exclusive agencies for supply of many APIs in Maharashtra from several API manufacturers. The list of products along with their category is given in the table below:

Sr. No.	Category	Product	Exclusive Agency from
1.	Anti – Infection Drugs / Anti – Fungal Drugs	Albendazole IP	Lasa Laboratories Pvt. Ltd.
		Triamcinolone & Triamcinolone Acetonide	-
		Clotirmazole	-
2.	Anti – Inflammatory Drugs (NSAIDs)	Aceclofenac IP	Magma Industries Ltd.
		Diclofenac Sodium IP & Diclofenac Potassium IP	Magma Industries Ltd.
		Ibuprofen IP / BP / USP / EP	IOL Chemicals & Pharmaceuticals Ltd.
		Momentazone Furoate	-
3.	Anti – Oxidants	Benfotiamine	Mascot Industries
4.	Fertility Drugs	Hydroxy Progestrone Acetate	-
		Clomifen Citrate;	Mascot Industries
		Norethisterone & Norethisterone Acetate	-

5.	Oncology Drugs	Letrozole	Mascot Industries
		Temoxifen Citrate	Mascot Industries
6.	Life Saving & Cardiology Drugs	Clopidogrel Bi Sulphate	Dymes Pharmachem Ltd.
7.	Steroids	Nandrolone Furoate	-
8.	Veterinary Drugs	Oxyclozanide BP Vet	Lasa Laboratories Pvt. Ltd.

Our subsidiary, Ajmera Organics Pvt. Ltd., is also engaged in the manufacture of various APIs like Ferrous Fumerate, Fumeric Acid, Bronopol, Povidine Iodine, etc.

1. Ferrous Fumarate

Ferrous Fumarate is an iron supplement, used to treat iron deficiency anaemia (a lack of red blood cells caused by having too little iron in the body). It is a salt of Fumaric Acid and is used to make various iron supplement tablets, capsules, powders, etc. We manufacture Ferrous Fumarate which complies with standards of major countries' pharmacopeia, i.e. Indian, US and British standards. Also, our product is complaint with the Food Chemicals Codex (FCC) for use as dietary supplements. We have an installed capacity of 150 tons per month of Ferrous Fumarate, which is approximately 30% of the domestic demand and approximately 10% of the export demand of the product *(Source: Company internal estimates).* Ferrous Fumarate is sold to formulators for manufacture of iron supplement powders, tablets and capsules. We also export the Ferrous Fumarate to countries in Asia like Bangladesh and Pakistan and in the African Continent to Nigeria. We have indirect export, i.e. through the export house to various other parts of the world.

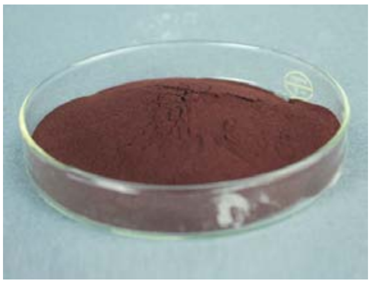
2. Fumaric Acid

We have strategically backward integrated into manufacture of Fumaric Acid which is one of the raw materials used to manufacture Ferrous Fumarate. Fumaric Acid is an edible chemical compound used a food acidulant. It is generally used in the manufacture of medicines, drinks, food and animal feed and also used in cleansing agents, unsaturated polyester, alkyd resins, and printing inks. It is one of the key raw material for manufacture of ferrous fumarate and majority of our production of fumaric acid is for in-house consumption. A small excess amount of fumaric acid is sold as a product to various formulators and companies in the food industry.

3. Bronopol

We began production of Bronopol in the year 2013-14 which is primarily used as an anti-bacterial agent. Bronopol is used in consumer products as an effective preservative agent, as well as a wide variety of industrial applications like coating materials, slurries, paper mills and water circulation systems for the effective preservation against bacteria and fungi.

4. Povidone Iodine



We began production of Poidone Iodine in the year 2013-14. Povidone Iodine is a widely used iodine antiseptic used for topical application in the treatment and prevention of infection in wounds like minor cuts, grazes, burns, abrasions and blisters. It is also commonly used in the surgical operations as an antiseptic cleaner before and after the operation.

MANUFACTURING PROCESS

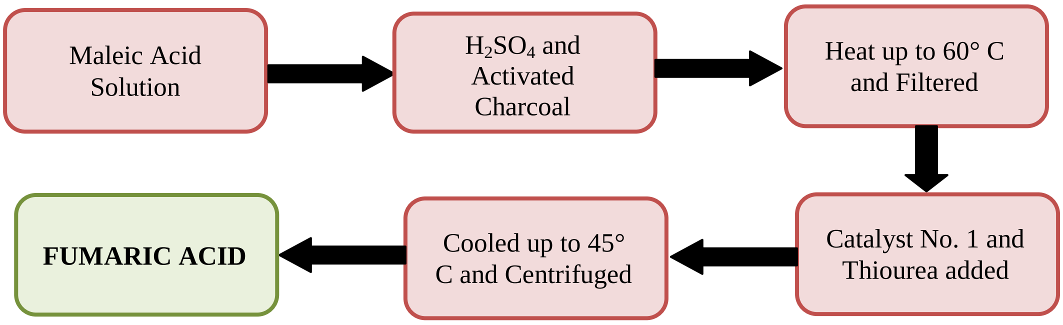
We carry out manufacturing of APIs through our subsidiary company, Ajmera Organics Pvt. Ltd.

The manufacture of Active Pharmaceutical Ingredients (APIs) involves a series of multiple step processes by both chemical and physical means under controlled conditions of temperature, pressure and specific classified conditions to manufacture the finished products. Each of these processes may vary depending on the product. The specification of each step may vary from product to product.

For each product, several alternative methods of manufacture are identified and the one which is most appropriate for the situation viz., economic, patent non-infringing, achieving a desired quality standard, environment impact etc. is chosen. Depending on the requirements of the customers, the finished products can be either in different forms. It is then suitably packed and readied for dispatch.

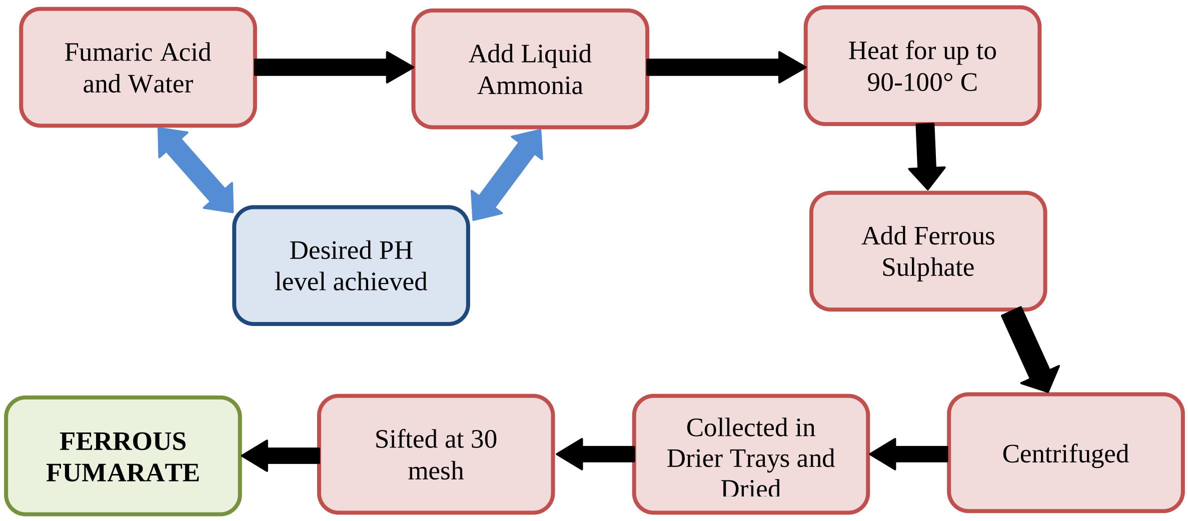
Fumaric Acid

1. The raw materials required for manufacture of Fumaric Acid are Maleic Acid Solution, Sulphuric Acid, Thiourea, Activated Charcoal and Catalyst No. 1
2. Maleic Acid solution is taken in a stainless steel vessel and it is mixed with Sulphuric Acid and Activated Charcoal and stirred for fixed number of hours.
3. This mixture is heated up to 60° C and then filtered using a filtering cloth or a fine sifter.
4. The filtered mixture is collected in PVC drums where Catalyst No. 1 and Thiourea are added and the solution is cooled up to 44-45° C.
5. The solution is then centrifuged after which it is collected in drier trays for drying.
6. The dried product is tested and packed in High Density Poly Ethylene (HDPE) containers and readied for use in the production of Ferrous Fumarate.



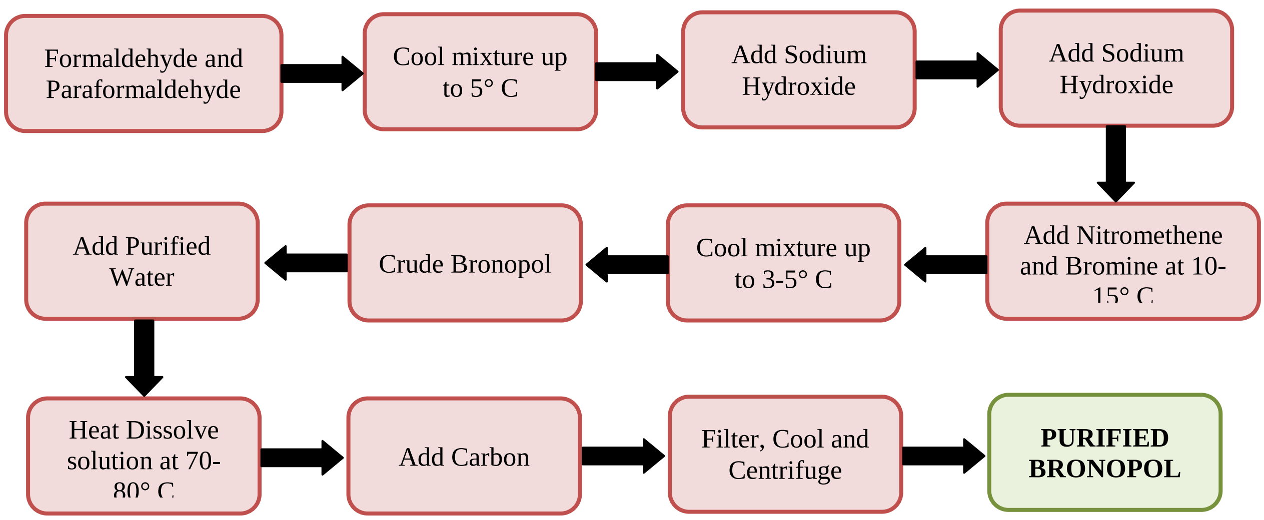
Ferrous Fumarate

1. The raw materials required for manufacture of Ferrous Fumarate are Fumaric Acid, Liquid Ammonia and Ferrous Sulphate.
2. Water is added to fumaric acid and stirred for about 30 minutes. Liquid Ammonia is added to the extent the PH is neutral. Liquid ammonia and fumaric acid can be alternatively added until the PH is neutral.
3. The mixture is heated for up to 90-100° C and ferrous sulphate is added to the solution.
4. The solution is stirred and cooled for about 30 minutes and added in the centrifuge.
5. The wet mass containing ferrous fumarate is collected in various trays from the centrifuge and is dried using various methods for about 10-12 hours.
6. The dried ferrous fumarate is sifted in 30 mesh sifters to remove impurities. A sample if the product is sent to our in-house R&D lab for testing.
7. The ferrous fumarate is collected in HDPE containers and labelled.



Bronopol

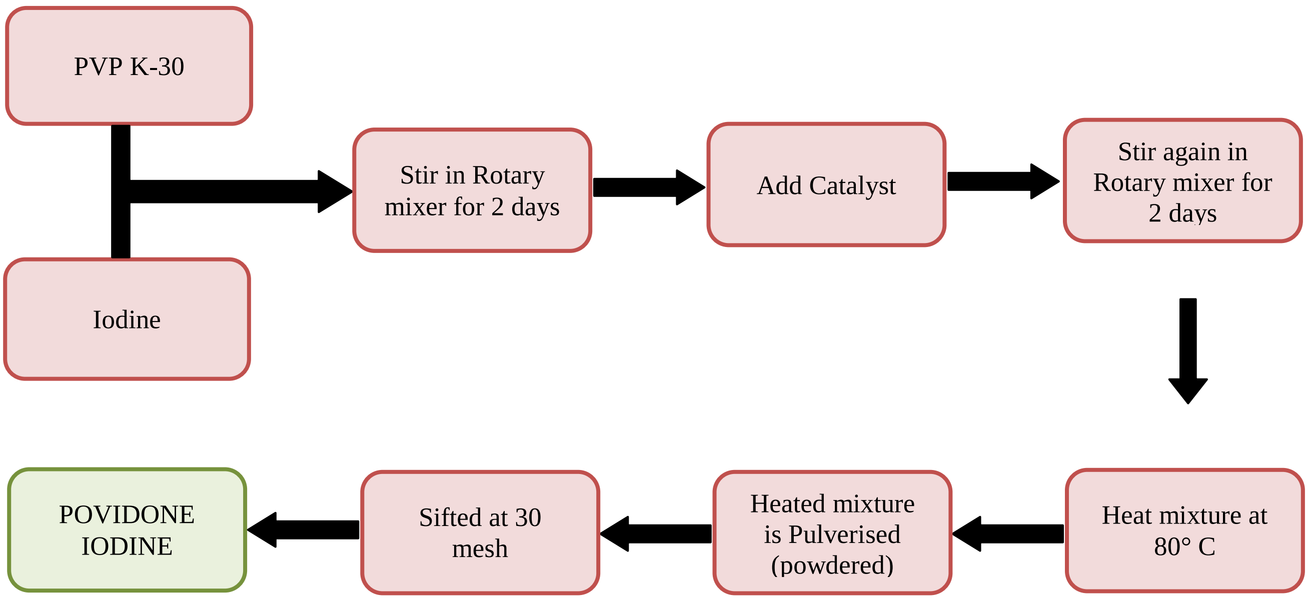
1. The raw materials required for manufacture of Bronopol are Formaldehyde, Paraformaldehyde, Sodium Hydroxide, Bromine, Nitromethene and Carbon.
2. Formaldehyde is taken in a reaction vessel where Paraformaldehyde is added at room temperature and the mixture is cooled up to 4 – 5 ° C.
3. Lye consisting of Sodium Hydroxide is added to the chilled mixture and is maintained for approximately 30 minutes.
4. When the mixture climbs to about 10-15° C, Nitromethene is added and the mixture is again maintained for approximately 30 minutes.
5. Bromine is added to the mixture at 10-12° C and then cooled again up to 3-5° C. This mixture is maintained for approximately 3-5 hours and later filtered to give Crude Bronopol.



6. For purification, the Crude Bronopol is added to water heated at 70-80° C. Carbon is added at the same temperature and the solution is filtered.
7. The final solution is chilled up to 3-5° C maintained for approximately 1 hour in a centrifuge.
8. The final pure Bronopol product is available as Wet Bronopol or Dry Bronopol as per the requirement of the customer.

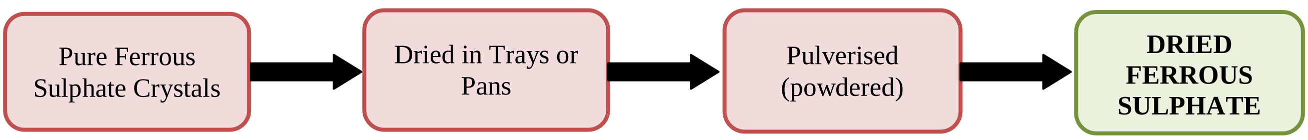
Povidone Iodine

1. The raw materials required for manufacture of Povidone Iodine are PVP K-30, Iodine and Catalyst No. 1.
2. PVP K-30 and Iodine are mixed in a rotary mixing container at room temperature for approximately 2 days.
3. The Catalyst is added to the mixture and the same is stirred again for approximately 2 days at room temperature.
4. Once sufficiently mixed, the mixture is heated at about 80° C for approximately 8 hours.
5. The heated mixture is pulverised and the resultant material is sifted in 30 mesh sifters to remove impurities and is packed in drums of 25 kgs.



Dried Ferrous Sulphate

1. Ferrous Sulphate crystals are dried in tray driers or in open pans
2. The dried crystals are pulverised (reduced to fine particles / powdered form), tested and packed for delivery to customers.



OUR MAJOR CUSTOMERS

Our Company is primarily engaged in the business of trading in pharmaceutical APIs and other chemicals. The percentage of income derived from our top customers in the last financial year is given below:

Sr. No.	Particular	Revenue (₹ in lakhs)	Percentage (%)
1	Income from Top 5 Customers (%)	798.34	23.96%
2	Income from Top 10 Customers (%)	1,124.94	33.76%

RAW MATERIALS

We (under our subsidiary) manufacture Fumaric Acid, Ferrous Fumarate, Bronopol, Povidone Iodine and Dried Ferrous Sulphate which have various consumer, pharmaceutical and industrial uses. The basic raw materials used for manufacturing APIs by our Company are fumaric acid, maleic acid solution, ferrous sulphate, liquid ammonia, formaldehyde, paraformaldehyde, sodium hydroxide, bromine, nitromethne, polyvinylpyrrolidone (PVP K-30), iodine, sulphuric acid, thiourea and other specific solutions.

Apart from the above mentioned raw materials solvents like water and toluene are required for manufacturing APIs. 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.

INSTALLED CAPACITY

Capacity and capacity utilization for the last three years

Product	Particulars	for the Financial Year		
		2012-13	2013-14	2014-15
Ferrous Fumarate	Installed Capacity (Tons / month)	60	60	100
	Utilised Capacity (Tons / month)	45	45	50
	Utilised Capacity (%)	75%	75%	50%
Fumaric Acid	Installed Capacity (Tons / month)	-	10	25
	Utilised Capacity (Tons / month)	-	5	19
	Utilised Capacity (%)	-	50%	75%
Bronopol	Installed Capacity (Tons / month)	-	3	3
	Utilised Capacity (Tons / month)	-	1	1
	Utilised Capacity (%)	-	33%	33%
Povidone Iodine	Installed Capacity (Tons / month)	-	7	7
	Utilised Capacity (Tons / month)	-	4	2
	Utilised Capacity (%)	-	55%	30%

Proposed Capacity Utilisation

Product	Particulars	for the Financial Year		
		2015-16	2016-17	2017-18
Ferrous Fumarate	Installed Capacity (Tons / month)	150	150	150
	Utilised Capacity (Tons / month)	120	120	120
	Utilised Capacity (%)	80%	80%	80%
Fumaric Acid	Installed Capacity (Tons / month)	25	25	25
	Utilised Capacity (Tons / month)	20	20	20
	Utilised Capacity (%)	80%	80%	80%
Bronopol	Installed Capacity (Tons / month)	4	4	4
	Utilised Capacity (Tons / month)	3	3	3
	Utilised Capacity (%)	75%	75%	75%
Povidone Iodine	Installed Capacity (Tons / month)	8	8	8
	Utilised Capacity (Tons / month)	6	6	6
	Utilised Capacity (%)	75%	75%	75%

UTILITIES

Power & Fuel

Our storage facility and registered office and our subsidiary’s manufacturing facility, have adequate power supply position from the public supply utilities. The following is the sanctioned power for each location:

Details of Location	Sanctioned Load
Storage Facility, Bhiwandi, Mumbai	7.22 KW
Registered Office, Mumbai	40.94 KW
Manufacturing Unit at MIDC, Tarapore	54.00 KW

In addition to the said sanctioned power, the company has installed DG Sets as standby arrangement, which will continued to be used in case of need/shortage or requirement of additional power. Also, we use wood for heating purposes as per the limit prescribed under MPCB consent.

Water

Our storage facility and registered office have adequate water supply position from the public supply utilities and the same is used for drinking and sanitation purposes.

Our current water consumption at our subsidiary's manufacturing unit is sourced from MIDC. It is used for our manufacturing processes, for cooling and chilling arrangements and other general purposes.

Effluent Treatment Plant

During the manufacturing process of APIs, 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 facility. 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.

The company has also received approval from MPCB and the disposal is as per the conditioned laid down by the MPCB for granting its consent and other general standards notified from time to time.

MARKETING SETUP

We are engaged in the trading of APIs and chemicals since incorporation i.e. since the year 1990. Over the years we have established a strong customer base and an unyielding marketing setup. We have a dedicated marketing division which oversees the marketing of different types of APIs and Chemicals for various geographical locations. We deal in both generic APIs (Ibuprofen, Diclofenac, Benfotiamine, Albendazole, etc.) and high value APIs (Clopidogrel, Letrazole, Temoxifen Citrate, Oxyclozanide, etc.) which need a different marketing approach. Further, a team, of marketing personnel from our Company and our subsidiary, also work to maintain the existing clients and acquiring new clients for our manufactured APIs. Our marketing division has well experienced and adequate personnel to handle daily activities and are supervised directly by the Managing Director and Whole time Director.

AWARDS & ACHIEVEMENTS

Our Tarapore Unit, (owned by our Subsidiary Ajmera Organics Pvt. Ltd.), is ISO 9001:2008 certified for its scope of activities which include manufacture, supply and export of pharmaceutical ingredients and chemicals.

MANPOWER

Following is the summary of our current manpower situation of our Company and our Subsidiary:

Sr. No.	Category	No. of Employees (Ajmera Pharmasure Ltd.)
1.	Directors	3
2.	Key Managerial Persons	6
3.	Other Employees (including Office staff)	8

EXPORTS AND EXPORT OBLIGATIONS

The total exports of the company for the last three fiscal years i.e. 2014-15, 2013-14 and 2012-13 on standalone basis are ₹ 105.64 lakhs, ₹ 817.89 lakhs and ₹ 431.15 lakhs respectively.

The total exports of the company for the fiscal years i.e. 2014-15 and 2013-14 on consolidated basis are ₹ 217.69 lakhs and ₹ 859.28 lakhs respectively.

There are no export obligations.

COLLABORATIONS

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

COMPETITION

Pharmaceutical being a global industry, we face competition from various domestic and international manufacturers and traders. Competition emerges from small as well as big players in the pharmaceutical industry. The organized players in the industry compete with each other by providing high quality, consistent and time bound products and value added services. We have a number of competitors offering products similar to us. We believe the principal elements of competition in our line of business are ready finance, consistent and quality products, prompt availability and strong relations formulators and pharmaceutical manufacturers. We compete against our competitors by establishing ourselves as a knowledge-based pharmaceutical company with exclusive agencies for various APIs in the State of Maharashtra which enables us to provide our clients with bulk quantities at reasonable rates to meet their requirements.

INTELLECTUAL PROPERTY

We do not own the 'Ajmera' trademark and logo AjmerA which is owned by Adamo Hospitality LLP ("AHL"), one of our Promoter Group Company. We do not have a formal agreement with AHL, nor have we made nor are we required to make any payments to AHL for the use of the 'Ajmera' trademark.

PROPERTY

Freehold Property

The details of the Free Hold property on which we have our registered office as well as cold storage facility is as under:

Sr. No.	Schedule of property and area	Date of Agreement	Seller	Purpose	Purchase Consideration	Dispute / Litigation Status
1.	Gala No. K2 – 2, Manisuvrat Complex Phase II, Rahnal Village, Bhiwandi, Thane; admeasuring 2,205 sq. ft.	April 24, 2010	Shashi J. Haria (HUF)	Storage Facility	₹ 6,17,400	No Pending Dispute / Litigation
2.	Gala No. K2 – 1, Manisuvrat Complex Phase II, Rahnal Village, Bhiwandi, Thane; admeasuring 2,205 sq. ft.	June 21, 2010	Dhirajlal J. Haria (HUF)	Storage Facility	₹ 6,17,400	No Pending Dispute / Litigation

Tenancy

Sr. No.	Name of the Licensor	Premises Leased and area	Amount of Rent and Security Deposit	Purpose
1.	Galan Real Estate Pvt. Ltd. (Landlord)	Premises standing on piece or parcel of land bearing Cadastral Survey No. 1000, Bhuleshwar Division 'C' Ward namely Carmellos Building, situated at 63/67, Pathak Wadi Road, Mumbai – 400 002 having premises bearing no. 22B on 3rd Floor admeasuring 600 sq. ft.	Rent of ₹ 845 per month + municipal and other taxes, cess and charges Security deposit ₹ 2,535 + One time transfer of rent receipt ₹ 51,000	Part and parcel of Registered Office[(1)]

[(1)] Majority companies in the Ajmera Group as a whole, have their offices on the 3rd and 4th floor at 63/37, Carmellos Building, Patahakwadi, Mumbai – 400 002. Due to internal arrangement and administrative convenience, our registered office is situated on 4th floor of the said building, which is tenanted to our Promoter / Promoter Group Entity. Further, we continue to pay rent for the property on 3rd floor as mentioned in the table above.

Leasehold Property

Sr. No.	Name of the Licensor	Premises Leased and area	Term of the Lease	Amount of Rent and Security Deposit	Purpose

Sr. No.	Name of the Licensor	Premises Leased and area	Term of the Lease	Amount of Rent and Security Deposit	Purpose
1.	Mrs. Jayanti Radheshyam Agrawal	Premises located at 22/3/2, S. D. A. Compound, Lasudia Mori, Behind Lasudia Police Station, Indore – 452 010 admeasuring 1445 sq. ft.	From 01.12.2012 to 30.11.2015	Rent: ₹ 9,750 per month Security Deposit: Nil	Storage Facility
2.	Maharashtra Industrial Development Corporation (MIDC) (Owner)[(1)]	Plot No. E-79, Tarapore Industrial Area of MIDC, Village Salwad, Taluka Palghar, Thane; admeasuring 10,764 sq. ft. including premises, existing building and other hereditaments (plant & machinery)[(2)]	Lease of approximately 81 years, from April 10, 2002 till February 28, 2083[(3)]	One time occupancy amount: ₹ 9,10,000	Manufacturing Unit

[(1)] Though the property is leased by MIDC, the agreement has been executed between the Company and Maharashtra State Finance Corporation (MSFC), since MSFC foreclosed the said property from the previous lessee.

[(2)] This Property has been leased in the name of our subsidiary company, Ajmera Organics Pvt. Ltd. The original agreement was entered into by Abhishek Organics Pvt. Ltd. which was renamed as Ajmera Organics Pvt. Ltd. on August 29, 2013. We have received a letter dated December 24, 2013 from MIDC confirming the name change upon payment of differential premium of ₹ 1,41,500/-.

[(3)] Since the property was acquired on lease from MSFC, post its foreclosure, the lease was for the residual period of 95 years from February 29, 1988.

INSURANCE

The insurance policies covered by the company are:

Sr. No.	Name of the Insurance Company	Type of Policy	Validity Period	Description of cover under the policy	Policy No.	Sum Insured	Premium
1.	National Insurance Company Limited	Standard Fire & Special Perils Policy	10.05.2015 to 09.05.2016	As per note no. 1	251100/11/15 /3100000283	₹ 365.00 lakhs	₹ 93,916 p.a.
2.	National Insurance Company Limited	Fidelity – Floating Policy	05.09.2014 to 04.09.2015	As per note no. 2	251100/46/14 /7800000834	₹ 300.00 lakhs	₹ 27,528 p.a.
3.	National Insurance Company Limited	Burglary Policy	10.05.2015 to 09.05.2016	As per note no. 3	251100/46/14 /7500000221	₹ 300.00 lakhs	₹ 16,854 p.a.
4.	National Insurance Company Limited	Standard Fire & Special Perils Policy	05.02.2015 to 04.02.2016	As per note no. 4	251100/11/14 /3100001807	₹ 100.00 lakhs	₹ 22,192 p.a.
5.	National Insurance Company Limited	Burglary Policy	05.02.2015 to 04.02.2016	As per note no. 5	251100/46/14 /7500001534	₹ 100.00 lakhs	₹ 5,617 p.a.
6.	TATA AIG General Insurance Company Limited	Marine Cargo Open Policy	22.11.2014 to 21.11.2015	As per note no. 6	0830013170	₹ 928.76 lakhs	₹ 67,832 p.a.
7.	ICICI Lombard General Insurance	Private Car package Policy	26.07.2015 to 25.07.2016	As per note no. 7	3001/817079 11/02/000	₹ 8.77 lakhs	₹ 18,447 p.a.
8.	ICICI Lombard General Insurance	Private Car package Policy	12.07.2015 to 11.07.2016	As per note no. 8	3001/813468 03/00/000	₹ 5.26 lakhs	₹ 9,549 p.a.

9.	Bajaj Allianz General Insurance Company Limited	Motor Vehicle – Star Protect Gold Policy	28.01.2015 to 27.01.2016	As per note no. 9	DY1301884304	₹ 45.19 lakhs	₹ 1,22,820 p.a.
10.	The Oriental Insurance Company Limited(2)	Employers Liability Policy	15.12.2014 to 14.12.2015	As per note no. 10	131200/48/2015/9784	₹ 115.20 lakhs	₹ 25,215 p.a.
11.	The Oriental Insurance Company Limited(2)	Standard Fire & Special Perils Policy	08.09.2014 to 07/09/2015	As per note no. 11	131200/11/2015/665	₹ 175.00 lakhs	₹ 41,391 p.a.

(2) Insurance taken by our subsidiary, Ajmera Organics Pvt. Ltd.

Notes:

1. Building, Cold Storage, Electrical Wiring, Furniture-Fixture-Fittings (FFF) and Stocks (including various kinds & types of pharmaceutical products, raw materials both in ponders & liquids, aroma chemicals, bulk drugs, animal feed products (all of the above both in powders & liquids); non-hazardous chemicals & solvents etc. & other items related to the insured's trade) situated at K-2/1 & K-2/2, Munisuvrat Complex, Phase-11, Rahnal Village, Bhiwandi, Thane - 421 302.

2. Any fraud / dishonesty of employees at Mumbai Office and Bhiwandi Godown covering stock of pharmaceutical goods, raw materials, intermediaries, formulations, bulk drugs, medicines, etc. situated at K-2/1 & K-2/2, Munisuvrat Complex, Phase-11, Rahnal Village, Bhiwandi, Thane - 421 302.

3. Various kinds of and types of Pharmaceutical products, Raw materials in Powers and Liquids, Aroma Chemicals, Bulk Drugs, Animal Feed Products, Medicines, Solvents etc related to Insurer's trade situated at K-2/1 & K-2/2, Munisuvrat Complex, Phase-11, Rahnal Village, Bhiwandi, Thane - 421 302.

4. Stocks (including various kinds & types of pharmaceutical products, raw materials both in ponders & liquids, aroma chemicals, bulk drugs, animal feed products (all of the above both in powders & liquids); medicines, non-hazardous chemicals & solvents etc. & other items related to the insured's trade) situated at 22/3/2, S. D. A. Compound, Lasudia Mori, Behind Lasudia Police Station, Indore – 452 010.

5. Stocks (including various kinds & types of pharmaceutical products, raw materials both in ponders & liquids, aroma chemicals, bulk drugs, animal feed products (all of the above both in powders & liquids); medicines, non-hazardous chemicals & solvents etc. & other items related to the insured's trade) situated at 22/3/2, S. D. A. Compound, Lasudia Mori, Behind Lasudia Police Station, Indore – 452 010.

6. All consignment from anywhere in India to anywhere in the world excluding countries as specified, by either Air / Road / Rail / Sea / Registered Post / Post / Speed Post / Private Carrier / Reputed Courier etc., containing various kinds of and types of Pharmaceutical products, Raw materials in Powers and Liquids, Aroma Chemicals, Bulk Drugs, Animal Feed Products, Medicines, Solvents etc related to Insurer's trade.

7. Car: Chevrolet Captiva bearing chassis number KLICD26RBB025980.

8. Car: Hyundai I-20 1.4 Sportz bearing chassis number MALBB51RLCM437300.

9. Car: Mercedes Benz E 250 CD1 bearing chassis number WDD2120036L047853.

10. Total annual wages of all employees *120 times.

11. Plant & Machinery, Building, Stock (including finished, semi-finished and raw materials), Furniture-Fixture-Fittings (FFF) (including Air Conditioners, Generators, Wood Fire Boiler and Compound Wall) situated at E / 79, MIDC Tarapore Industrial Area, Boisar, Thane – 401 506

KEY INDUSTRY REGULATIONS AND POLICIES

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

Our Company is engaged in the business of sales and export of pharmaceutical products, in particular Active Pharmaceutical Ingredients (API). Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of our business. We are required to obtain and regularly renew certain licenses/ registrations and / or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts and policies.

Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by us:

A. INDUSTRY-SPECIFIC REGULATIONS

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

The DCA regulates the import, manufacture, distribution and sale of drugs and cosmetics in India as well as aspects relating to labeling, packing and testing. The DCA also provides the procedure for testing and licensing of new drugs. The DCA also prohibits the import of certain categories of drugs and cosmetics. It further mandates that every person holding a license must keep and maintain such records, registers and other documents as may be prescribed which may be subject to inspection by the relevant authorities. Under the DCA, the Government may, by notification in the official gazette, regulate or prohibit the manufacture, sale or distribution of a drug, if it is satisfied 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. Penalties in terms of fine and imprisonment are prescribed under the DCA for contravention of its provisions.

The Drugs and Cosmetics Rules, 1945

The Drugs and Cosmetics Rules, 1945 (the **"DCA Rules"**) have been enacted to give effect to the provisions of the DCA Act to regulate the, manufacture, distribution and sale of drugs and cosmetics in India. The DCA Rules prescribe the procedure for submission of report to the Central Drugs Laboratory, of samples of drugs for analysis or test, the forms of Central Drugs Laboratory's reports thereon and the fees payable in respect of such reports. The DCA Rules also prescribe the drugs or classes of drugs or cosmetics or classes of cosmetics for the import of which a licence is required, and prescribe the form and conditions of such licence. Further, the DCA Rules provide for the cancellation or suspension of such licence in any case where any provisions or rule applicable to the import of drugs and cosmetic is contravened or any of the conditions subject to which the licence is issued is not complied with. The DCA Rules further prescribe the manner of labeling and packaging of drugs.

The Drugs (Control) Act, 1950 ("DC Act")

The DC Act was enacted to provide for the control of sale, supply and distribution of drugs. The DC Act empowers the Central Government to inter alia declare any drug to be a drug to which this act shall apply and to fix maximum prices and maximum quantities thereof, which may be held or sold, by a dealer or producer. The DC Act also provides for penalties arising due to contraventions of any of the provisions of this Act or of any direction made under authority conferred by this Act, which shall be punishable with imprisonment for a term which may extend to three years, or with fine, or with both.

National Pharmaceutical Pricing Policy 2012

In December 2012, the Government issued the National Pharmaceutical Pricing Policy, 2012 ("NPPP 2012") has replaced the Drug Policy of 1994. The objective of the NPPP 2012 is to put in place a regulatory framework for pricing of drugs so as to ensure availability of essential medicines at reasonable prices while providing sufficient opportunity for innovation and competition to support the growth of industry. The regulation of prices of drugs under the NPPP 2012 is on the basis of regulating the prices of formulations and is different from the earlier principle of regulating the prices of specified bulk drugs and their formulations under the Drug Policy 1994. The National Pharmaceuticals

Pricing Authority ("NPPA") will be the implementation authority for the NPPP 2012. The NPPP 2012 provides for certain principles for drug price control and determination, which, *inter-alia*, include the following:

a) Price regulation is on the basis of 'essentiality' of the drug as laid down in the National List of Essential Medicines – 2011 ("NLEM 2011"), declared by the Ministry of Health and Family Welfare, in public interest;
b) Price regulation is applied only to formulations;
c) The Span of Price Control is as per the dosages and strengths as listed in NLEM 2011;
d) The methodology of fixing a ceiling price of essential medicines, is done by adopting the simple average price of all the brands having market share (on the basis of moving annual turnover) more than and equal to one percent of the total market turnover of that medicine.
e) The formulations are to be priced only by fixing a ceiling price. Manufacturers would be free to fix any price for their products equal to or below the ceiling price. The ceiling price would be fixed on the dosage basis, such as per tablet, capsule, standard injection volume, as listed in NLEM 2011;
f) The ceiling price will be fixed on the basis of readily monitorable market based data which would be available with IMS Health (IMS). Since the IMS data gives price figures for stockist level prices, in order to arrive at ceiling price (being the maximum retail price), the price derived from IMS data would be further increased by 16% as margin to the retailer so as to arrive at a reasonable ceiling price chargeable from the consumers. For drugs not in the IMS data, NPPA would collect data by commissioning the same.
g) The prices of such essential medicines will be allowed an annual increase as per the 'Wholesale Price Index' as notified by the Department of Industrial Policy & Promotion;
h) The prices of non-essential drugs are to be monitored by the Government on a regular basis and where the price of such drugs increases at a rate of above 10% per annum, the Government is empowered to have the price of these drugs reduced below the limit, for the next 12 months; and
i) The ceiling prices determined for drugs under the NPPP 2012 are also be applicable to imported drugs.

The NPPP 2012 further, in order to promote innovation and R&D, provides for certain exemptions, to which price control does not apply, such as:

a) A product or process patented under the Indian Patent Act, 1970, if developed through indigenous R&D, is eligible for exemption from price control for a period of five years from the date of commencement of its commercial production; and
b) A formulation involving a new delivery system developed through indigenous R&D is also eligible for exemption from price control for a period of 5 (five) years from the date of its market approval in India. The certification of innovation and R&D may be provided by the office of DCGI.

The Essential Commodities Act, 1955 ("ECA")

The ECA provides for the control of the production, supply and distribution of, and trade and commerce in certain commodities. The ECA gives powers to the Government amongst others, to control production, supply and distribution of essential commodities for maintaining or increasing supplies and for securing their equitable distribution and availability at fair prices. Using the powers under it, various ministries/departments of the Government have issued control orders for regulating production, distribution, quality aspects, movement and prices pertaining to the commodities which are essential and administered by them. The State Governments have issued various control orders to regulate various aspects of trading in essential commodities such as food grains, edible oils, pulses kerosene, sugar and drugs. The Collector of the District or the concerned authority has the power to confiscate the commodity if it contravenes the order.

The Drugs (Prices Control) Order, 2013 ("DPCO, 2013")

In May 2013, the Central Government in exercise of its powers under the Essential Commodities Act, 1955 issued the Drugs Prices (Control) Order, 2013 which will replace the Drugs Prices (Control) Order, 1995. The NPPA will be the implementation authority for the new Drug Prices (Control) Order, 2013.

The DPCO is passed under section 3 of the ECA and is to be read with the DCA. The DPCO, inter alia, provides the list of price controlled drugs, procedures for fixing the prices of drugs, method of implementation of prices fixed by Government and penalties for contravention of provisions and formulations which fall within the purview of the legislation.

The DPCO provides for the formulae for calculation of ceiling prices and retail prices of drug formulation and there are penal provisions for violation of any rules and regulations under the ECA. As per section 7 of the ECA, the penalty for contravention of the DPCO is minimum imprisonment of 3 (three) months, which may extend to seven years and the violator is also liable to pay a fine.

The DPCO provides that the Government may, in extraordinary circumstances, if it considers necessary to do so in the light of public interest, fix the ceiling price or retail price of any drug for such period as it may consider fit, and where the ceiling price or retail price is already fixed and notified, it may allow an increase or decrease in the ceiling price or the retail price as the case may be, irrespective of the annual wholesale price index for that year.

Under the provisions of the DPCO, every manufacturer of a schedule formulation intended for sale shall display in indelible print mark, on the label of container of the formulation and the minimum pack thereof offered for retail sale, the maximum retail price of that formulation based on the ceiling price notified in the Official Gazette or ordered by the Government in this behalf with the words "Maximum Retail Price" preceding it and the words 'inclusive of all taxes' succeeding it.

The provisions of this order do not apply to a manufacturer producing a new drug patented under the Indian Patent Act, 1970 (product patent) and not produced elsewhere, if developed through indigenous Research and Development, for a period of five years from the date of commencement of its commercial production in the country or a manufacturer producing a new drug in the country by a new process developed through indigenous Research and Development and patented under the Indian Patent Act, 1970 for a period of five years from the date of the commencement of its commercial production in the country or a manufacturer producing a new drug involving a new delivery system developed through indigenous Research and Development for a period of five years from the date of its market approval in India.

The Narcotic Drugs and Psychotropic Substances Act, 1985

The Narcotic Drugs and Psychotropic Substances Act, 1985 makes stringent provisions for the control and regulation of operations relating to narcotic drugs and psychotropic substances, to provide for the forfeiture of property derived from, or used in, illicit traffic in narcotic drugs and psychotropic substances, to implement the provisions of the International Convention on Narcotic Drugs and Psychotropic Substances and for matters connected therewith. The Act authorizes the Central Government to take all such measures as it deems necessary or expedient for the purpose of preventing and combating abuse of narcotic drugs and psychotropic substances. The Narcotic Drugs and Psychotropic Substances Act, 1985 prohibits the production, manufacture, possess, sell, purchase, transport, warehouse, use, consume, import inter-State, export inter-State, import into India, export from India or transport any narcotic drug or psychotropic substance, except for medical or scientific purposes as provided. Narcotic Drugs and Psychotropic Substances (Amendment) Bill, 2011 was introduced before the Parliament and referred to the Standing Committee in September, 2011. The Bill lays down that whoever consumes any narcotic drug or psychotropic substance in contravention of any provision of the Act or any rule or order made thereunder shall be punishable with imprisonment for a term which may extend to six months or with fine which may extend to ten thousand rupees or with both. The Bill also enhances the penalty for offences committed after previous convictions.

The Pharmacy Act, 1948

The Pharmacy Act, 1948 was enacted to regulate the profession of pharmacy. The Pharmacy Act, 1948 provides for the Constitution and Composition of Central Pharmacy Council and State Pharmacy Council as well as the Registration of Pharmacists. The Central Council is empowered to make education regulations prescribing the minimum standard of education required for qualification as a pharmacist. The Pharmacy Act, 1948 also provides for the registration of pharmacists with the State Government.

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

The Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954 seeks to control advertisements of drugs in certain cases and prohibits advertisements of remedies that claim to possess magic qualities and provides for matters connected therewith. For the purposes of this Act, advertisements include any notice, circular, label, wrapper, or other document or announcement. The schedule to the Act specifies ailments for which no advertisement is allowed. It prohibits advertisements that misrepresent, make false claims or mislead.

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development And Regulation) Act, 1951

The Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") inter-alia provides for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. The Central Government is empowered to classify by notification, any class of enterprises including inter-alia, a company, a partnership, firm or undertaking by whatever name called, engaged in the manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 as: (i) a micro enterprise, where the investment in plant and machinery does not exceed ₹ 25,00,000/- (Rupees Twenty Five Lakhs Only) (ii) a small enterprise, where the investment in plant and machinery is more than ₹ 25,00,000/- (Rupees Twenty Five Lakh Only) but does not exceed ₹ 5,00,00,000/- (Rupees Five Crores Only); or (iii) a medium enterprise, where the investment in plant and machinery is more than ₹ 5,00,00,000/- (Rupees Five Crores Only) but does not exceed ₹ 10,00,00,000/- (Rupees Ten Crores Only). The MSMED Act inter-alia stipulates that any person who intends to establish, a micro or small enterprise or a medium enterprise engaged in rendering of services, may at his discretion and a medium enterprise engaged in the manufacture or production of goods as specified hereinabove, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority.

B. LABOUR LAWS

Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 provides for payment of gratuity to employees employed in factories, shops and other establishments who have put in a continuous service of 5 (five) years, in the event of their superannuation, retirement, resignation, death or disablement due to accidents or diseases. The rule of 'five year continuous service' is however relaxed in case of death or disablement of an employee. Gratuity is calculated at the rate of 15 (fifteen) days' wages for every completed year of service with the employer. Presently, an employer is obliged for a maximum gratuity payout of ₹ 10,00,000/- for an employee.

The Minimum Wages Act, 1948

The Minimum Wages Act, 1948 ("**MWA Act**") was enacted to establish minimum wages for certain categories of employees. Under this Act, the Central and the State Governments stipulate the scheduled industries and establishments and fix minimum wages.

Maharashtra Minimum Wages Rules, 1963

Maharashtra Minimum Wages Rules, 1963 ("MWA Rules") was enacted to establish minimum wages for certain categories of employees. The MWA Rules require that wages should be fixed of the employee not exceeding 1 (one) month. The employer is required to make payment of wages to a worker on termination of his employment. The employer is required to give notices containing the minimum rates of wages and the name and address of the Inspector. The employer is required to pay extra wages for the overtime, maintain a register of wages and an inspection book.

Payment of Bonus Act, 1965

Pursuant to the Payment of Bonus Act, 1965, as amended, an employee in a factory or in any establishment where 20 (twenty) or more persons are employed on any day during an accounting year, who has worked for at least 30 (thirty) working days in a year, is eligible to be paid a bonus. Contravention of the provisions of the Payment of Bonus Act, 1965 by a company is punishable with imprisonment upto six months or a fine up to ₹ 1,000/- or both**.**

The Maternity Benefit Act, 1961

The purpose of the Maternity Benefit Act, 1961 is to regulate the employment of pregnant women in certain establishments for certain periods and to ensure that they get paid leave for a specified period before and after childbirth, or miscarriage or medical termination of pregnancy. It inter alia provides for payment of maternity benefits, medical bonus and prohibits the dismissal of and reduction of wages paid to pregnant women.

The Payment of Wages Act

The Payment of Wages Act, 1936 ("**PWA**") is applicable to the payment of wages to persons in factories and other establishments. PWA ensures that wages that are payable to the employee are disbursed by the employer within the prescribed time limit and no deductions other than those prescribed by the law are made by the employer.

Equal Remuneration Act, 1979

Equal Remuneration Act, 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 **("SHWW Act"**) provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to ₹ 50,000/-.

Child Labour (Prohibition and Regulation) Act, 1986

The Child Labour (Prohibition and Regulation) Act, 1986 (the "CLPR Act") seeks to prohibit the engagement of children in certain employments and to regulate the conditions of work of children in certain other employments. It also prescribes hours and periods of work, holidays, the requirement of keeping a register, etc for the establishments falling under this act. A shop or a commercial establishment is included under the definition of an "establishment" according to Section 2(iv).

Industrial Disputes Act, 1947 and Industrial Dispute (Central) Rules, 1957

Industrial Dispute Act, 1947 and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The Industrial Disputes Act, 1947 ("**IDA**") was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the IDA have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond a prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The IDA also sets out certain requirements in relation to the termination of the services of the workman. The IDA includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment.

TAX RELATED REGULATIONS

The Central Sales Tax Act, 1956

The Central Sales tax ("**CST**") is levied on the sale of moveable goods within India in the course of inter-state trade or commerce and is governed by the provisions of the Central Sales Tax Act, 1956. If the goods move between states pursuant to a sale arrangement, then the taxability of such sale is determined by the CST. On the other hand, the taxability of a sale of movable goods within the jurisdiction of the State is determined as per the local sales tax/Value Added Tax legislation in place within such State.

Value Added Tax

Value Added tax ("**VAT**") is a system of multi-point levies on each of the purchases in the supply chain with the facility of set-off input tax on sales whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. VAT is based on the value addition of goods, and the related VAT liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period.

VAT is a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of services, and each State that has introduced VAT has its own VAT Act under which persons liable to pay VAT must register and obtain a registration number from the Sales Tax Officer of the respective State.
Maharashtra Value Added Tax Act, 2002 and Madhya Pradesh Value Added Tax Act, 2002 are applicable to the establishments of the Company.

Income-tax Act, 1961

The Income-tax Act, 1961 ("**IT Act**") is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made thereunder depending upon its "Residential Status" and "Type of Income" involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by September 30 of each assessment year.

Service Tax

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of 'taxable services', defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assesse is required to pay service tax in TR 6 challan by the 6th of the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, the Company is required to file a quarterly return in Form ST 3 by the 25th of the month immediately following the half year to which the return relates. Every assesse is required to file the quarterly return electronically.

Professional Tax

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority. The Maharashtra State Tax on Profession, Trades, Callings and Employments Act, 1975 and the Madhya Pradesh Professional Tax Act, 1995 are applicable to the Company.

Excise-Related Regulations

Excise duty imposes a liability on a manufacturer to pay excise duty on production or manufacture of goods in India. The **Central Excise Act, 1944** is the principal legislation in this respect, which provides for the levy and collection of excise and requires every person who produces, manufactures, carries on trade, holds private store-room or warehouse or otherwise uses excisable goods, to obtain registration thereunder. Additionally, the **Central Excise Tariff Act, 1985** prescribes the rates of excise duties for various goods. The **Central Excise Rules, 2002** provides the manner of payment of the central excise duty as well as the rebate and remission provisions.

For details of the Company's material registrations under the applicable the tax legislations, please refer to the Chapter titled "*Government and Other Key Approvals*" beginning on page no. 212 of this Draft Prospectus.

The Customs Act, 1962 and the Customs Tariff Act, 1975

The provisions of the Customs Act, 1962 and Rules made there under are applicable at the time of import of goods into India from a place outside India or at the time of export of goods out of India to a place outside India. The Customs Tariff Act, 1975 provides the rates at which duties of customs will be levied under the Customs Act, 1962.

ENVIRONMENTAL REGULATIONS

Environment Protection Act, 1986 and Environment *(*Protection*)* Rules, 1986

The Environmental Protection Act, 1986 is an "umbrella" legislation designed to provide a framework for co-ordination of the activities of various central and state authorities established under various laws. The potential scope of the Act is broad, with "environment" defined to include water, air and land and the interrelationships which exist among water, air and land, and human beings and other living creatures, plants, micro-organisms and property.

OTHER REGULATIONS

The Maharashtra Shops and Establishments Act, 1948

The Company has its registered office situated at 63/67, Carmello's Bldg., Pathakwadi, Mumbai- 400002 and a Godown situated at Gala No. 1 and 2, Building No. K-2, Munisuvrat Complex, Phase II, Rahnal Village, Taluka Bhiwandi, District – Thane, Mumbai, Maharashtra. Accordingly, the provisions of the Maharashtra Shops and Establishments Act, 1948 are applicable to the Company. The provisions of the Maharashtra Shops and Establishments Act, 1948 regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures, and wages for overtime work.
The Madhya Pradesh Shops and Establishments Act, 1948

The Company has its Godown at 22/3/2, SDA Compound, Dewas Naka, Indore, Madhya Pradesh. Accordingly the provisions of the Madhya Pradesh Shops and Establishments Act, 1958 are applicable to the Company. The provisions of the Madhya Pradesh Shops and Establishments Act, 1958 regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures, and wages for overtime work.

Legal Metrology Act, 2009

The Legal Metrology Act, 2009 ("**L.M. Act**") governs the standards/units/denominations used for weights and measures as well as for goods which are sold or distributed by weight, measure or number. It also states that any transaction/contract relating to goods/class of goods shall be as per the weight/measurement/numbers prescribed by the L.M. Act. Moreover, the L.M. Act prohibits any person from quoting any price, issuing a price list, cash memo or other document, in relation to goods or things, otherwise than in accordance with the provisions of the L.M. Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in the Rules made by each State. The Act also provides for Legal Metrology (General) Rules, 2011, which may be followed for due compliance, if the respective State does not provide for Rules in this regard.

Transfer of Property Act, 1882

The transfer of property, including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the Transfer of Property Act, 1882 ("**T.P. Act.**"*)*. The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter.

The T.P. Act recognizes, among others, the following forms in which an interest in an immovable property may be transferred:

Sale: The transfer of ownership in property for a price, paid or promised to be paid.
Mortgage: The transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The T.P. Act recognises several forms of mortgages over a property.

Charges: Transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.
Leases: The transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions.
Leave and License: The transfer of a right to do something upon immovable property without creating interest in the property.

Further, it may be noted that with regards to the transfer of any interest in a property, the transferor transfers such interest, including any incidents, in the property which he is capable of passing and under the law, he cannot transfer a better title than he himself possesses.

The Registration Act, 1908

The Registration Act, 1908 ("**Registration Act**") was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

The Indian Stamp Act, 1899

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Indian Stamp Act,1899 ("**Stamp Act**") which is enacted by the Central Government. All others instruments are required to be stamped, as per the rates prescribed by the respective State Governments. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one state to another. Certain states in India have enacted their own legislation in relation to stamp duty while the other states have adopted and amended the Stamp Act, as per the rates applicable in the state. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act.

Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from state to state.

Maharashtra Stamp Act, 1958

The Maharashtra Stamp Act, 1948 ("**Maharashtra Stamp Act**") prescribes the different rates of duties on the instrument falling within the various descriptions set-out in Schedule I of the Maharashtra Stamp Act. In addition, the Maharashtra Stamp Act also prescribes methodology for adjudication, refund of duties, grievance processes and prosecutions. The Collector is normally vested with the power of adjudication. If a document is not stamped or adequately stamped, it is likely to be impounded.

The Indian Stamp Act, 1899 (As amended in its application to the State of Madhya Pradesh)

Indian Stamp Act read along with the various amendments therein regarding its applicability to the state of Madhya Pradesh prescribes the different rates of duties on the instrument falling within the various descriptions set-out in Schedule I-A, In addition, this Stamp Act also prescribes methodology for adjudication, refund of duties, grievance processes and prosecutions. The Collector is normally vested with the power of adjudication. If a document is not stamped or adequately stamped, it is likely to be impounded.

The Indian Contract Act, 1872

The Indian Contract Act, 1872 ("**Contract Act**") codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

The Specific Relief Act, 1963

The Specific Relief Act, 1963 ("**Specific Relief Act**") is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Specific Relief Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. 'Specific performance' means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

Consumer Protection Act, 1986

The Consumer Protection Act, 1986 seeks to provide better protection of interests of the consumers and for that purpose to make provision for establishment of consumer councils and other authorities for the settlement of consumer's disputes and for matters connected therewith. It seeks to promote and protect the rights of consumers.

To provide steady and simple redressal to consumers' disputes, a quasi-judicial machinery is sought to be set up at the district, state and central levels. The quasi-judicial bodies will observe the principles of natural justices and have been empowered to give relieves of a specific nature and to award wherever appropriate compensation to consumers. Penalties for non-compliance of the orders given by the quasi-judicial bodies have also been provided.

Competition Act, 2002

The Competition Act, 2002 ("**Competition Act**") aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India ("**Competition Commission**") which became operational from May 20, 2009 has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

The Companies Act, 1956

The Companies Act, 1956 deals with laws relating to companies and certain other associations. It was enacted by the parliament in 1956. The Act primarily regulates the formation, financing, functioning and winding up of companies. The Companies Act, 1956 prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act, 1956 plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

The Companies Act, 2013

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs ("MCA") has vide its notification dated September 12, 2013 has notified 98 Sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. A further 108 Sections have been notified on March 26, 2014 and have become applicable from April 1, 2014. The MCA has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

The Trademarks Act, 1999

Under the Trademarks Act, 1999 ("**Trademarks Act**"), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A 'mark' may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks ("**the Registrar**"), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

Foreign Trade (Development and Regulation) Act, 1992 ("FTA")

In India, the main legislation concerning foreign trade is FTA. The FTA read along with relevant rules provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the Act, the Government:- (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorised to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorised to appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import ("EXIM") Policy. FTA read with the Indian Foreign Trade Policy provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce.

REGULATIONS RELATING TO FOREIGN INVESTMENT

Foreign Exchange Management Act, 1999

Foreign investment in companies in the pharmaceutical industry is governed by the provisions of the Foreign Exchange Management Act, 1999 ("**FEMA**") read with the applicable regulations. The Department of Industrial Policy and Promotion ("**DIPP**"), Ministry of Commerce and Industry has issued 'Consolidated FDI circular of 2015' (the "**FDI Circular**") which consolidates the policy framework on Foreign Direct Investment ("**FDI**"), with effect from May 12, 2015. The FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till May 11, 2015. All the press notes, press releases, clarifications on FDI issued by DIPP till May 11, 2015 stand rescinded as on May 12, 2015.

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 approval route, prior approval of the Government of India through FIPB 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. Where FDI is allowed on an automatic basis without the approval of the FIPB, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. In cases where FIPB approval is obtained, no approval of the RBI is required except with respect to fixing the issuance price, although a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company. The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. In terms of the FDI Circular issued by the DIPP, foreign investments in the sector in which the Company operates is permitted up to 100% under the automatic route for greenfield investments and up to 100% under the government approval route for brownfield investments (investments in existing companies). Further, the Government of India may incorporate appropriate conditions for FDI in brownfield cases at the time of granting approval.

RBI has also issued Master Circular on Foreign Investment in India dated July 01, 2015. In terms of the Master Circular, an Indian company may issue fresh shares to persons resident outside India (who are eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. As mentioned above, the Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

HISTORY AND CERTAIN CORPORATE MATTERS

Our History and Corporate Information

Our Company was incorporated as Ajmera Trading and Impex Private Limited on May 04, 1990 under the Companies Act, 1956 in the State of Maharashtra. The name of our Company was changed to Ajmera Pharmasure Private Limited and the fresh certificate of incorporation dated June 17, 2011 was received from the Registrar of Companies, Mumbai, Maharashtra. The status of our Company was changed to a public limited company vide special resolution dated May 05, 2015 and the name of our Company was further changed to Ajmera Pharmasure Limited. The fresh certificate of incorporation consequent to the change of name was granted to our Company on June 03, 2015, by the Registrar of Companies, Mumbai, Maharashtra.

We are a pharmaceutical trading and manufacturing organisation having established arrangements with manufacturers of key molecules and we supply the same to pharmaceutical manufacturing companies and ensure for them regular and assured supplies to match their manufacturing schedules. We work in a close collaboration with some of India's leading pharmaceutical companies and formulators and have been appointed as exclusive distributors for some leading pharmaceutical companies.

Our Company, Ajmera Pharmasure Limited, is part of the diversified Ajmera Group, having various businesses in Securities Market, Real Estate, Hospitality and Pharmaceuticals. Our Company was incorporated in 1990 for exporting, importing and supplying bulk drugs, vitamins, steroids and other APIs.

Our Company is engaged in the business of trading of Bulk Drugs – Active Pharmaceutical Ingredients ("API"). Our Company procures in bulk various APIs and supplies the same to formulators and other generic pharmaceutical players in both domestic and international markets. We provide ready finance to API manufacturers by buying their products in bulk and aid the formulators with steady supply. Our Company has exclusive agencies in the state of Maharashtra for various API & Chemical manufacturers like IOL Chemicals & Pharmaceuticals Ltd., Mascot Industries, Magma Industries, Lasa Laboratory Pvt. Ltd. and Dymes Pharmachem Ltd. We cater to over 100-150 customers and our product portfolio offers a diversified product range which includes varied pharmaceutical areas like Non Steroidal Anti – Inflammatory Drugs (NSAIDs), Anti – Infection Drugs, Anti – Oxidants, Anti – Fungal, fertility drugs and Oncology Drugs. We have a storage and logistic facility at Bhiwandi in Mumbai and at Lasudia Mori in Indore, where our goods our stored and supplied to the formulators and other manufacturers as per the order received.

Over the years, we have pursued both organic and inorganic growth strategies to strengthen our presence in the pharmaceutical industry. In the year 2013, we acquired the manufacturing unit of Abhishek Organics Pvt. Ltd. and established it as our subsidiary, re-naming it as Ajmera Organics Pvt. Ltd. ("Ajmera Organics"). Through our subsidiary, we ventured into manufacture of APIs like Ferrous Fumarate (IP / BP / USP / FCC), Fumaric Acid, Bronopol and Povidone Iodine, with concentration on manufacture of Ferrous Fumarate. The manufacturing unit of Ajmera Organics is situated in Tarapore, near Mumbai. The plant currently has a capacity of manufacturing approximately 150 tons per month of Ferrous Fumerate. We are strategically backward integrated with combination of technologies, for instance we are backward integrated in the manufacturing of Fumaric acid which is required for Ferrous Fumarate. This has enabled us to maintain our quality standards and ensured un-interrupted supply of a key raw material ingredient in the manufacturing process. Our Tarapore Unit, (owned by our Subsidiary Ajmera Organics Pvt. Ltd.), is ISO 9001:2008 certified for its scope of activities which include manufacture, supply and export of pharmaceutical ingredients and chemicals.

For further details regarding our business operations, please refer the Chapter titled "*Our Business*" beginning on page no. 89 of this Draft Prospectus.

CHANGES IN REGISTERED OFFICE OF OUR COMPANY

Date of Change of Registered Office	Registered Address Changed From	Changed to	Reason for Change
January 01, 2006	236 / 38, Samuel Street, Masjid Bunder, Mumbai – 400 003	63/67, Carmellos Building, 4th Floor, Pathak Wadi Road, Mumbai – 400 002	Administrative convenience and to carry on the business more efficiently.

MAIN OBJECTS OF OUR COMPANY

The main objects of our Company as contained in the Memorandum of Association are:

1. To purchase, sell and to carry on the Business of all types Dry fruits, spices and deal in the business of producing, marketing, trading and distributing all kinds of Pharmaceutical Drugs and Chemicals Raw materials for Pharmaceutical Products, Fine Chemicals Industrial Chemicals.

2. To carry on the business as dealers in importers, exporters, and sales and marketing agents (both in internal, and external markets on its own or as sales, purchase or commission agents or brokers) of all types of dry fruits, spices Mill Gin and other Textile Stores and Machinery.

AMENDMENTS TO OUR MEMORANDUM OF ASSOCIATION

Dates on which some of the main clauses of the Memorandum of Association of our Company have been changed citing the details of amendment as under:

Date	Nature of Amendment
April 16, 1996	Clause V of the Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹ 10,00,000 divided into 10,000 Equity Shares of ₹ 100 each to ₹ 5,000,000 divided into 50,000 Equity Shares of ₹ 100 each.
September 03, 2003	Clause V of the Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹ 5,000,000 divided into 50,000 Equity Shares of ₹ 100 each to ₹ 1,50,00,000 divided into 1,50,000 Equity Shares of ₹ 100 each.
May 05, 2015	Clause I of the Memorandum of Association was altered by inserting the name "Ajmera Pharmasure Limited" in place of "Ajmera Pharmasure Private Limited".
May 05, 2015	Clause V of the Memorandum of Association was amended to reflect the Sub Division of the Face Value of the Equity Shares from ₹ 100 to ₹ 10 each.
May 05, 2015	Clause V of the Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹ 1,50,00,000 divided into 15,00,000 Equity Shares of ₹ 10 each to ₹ 6,00,00,000 divided into 60,00,000 Equity Shares.
May 05, 2015	Changes in Memorandum of Association as required under Companies Act, 2013

TOTAL NUMBER OF OUR SHAREHOLDERS

The total number of shareholders as on the date of this Draft Prospectus is Thirty Three (33). For details please refer the chapter "*Capital Structure*" on page no. 51 of this Draft Prospectus.

MAJOR EVENTS IN THE HISTORY OF OUR COMPANY

Year	Major Event
1990	Incorporated under Companies Act, 1956 as Ajmera Impex & Trading Private Limited
2000	Received FDA approval for trading of pharmaceutical APIs
2004	Acquired the current premises of Registered Office on tenancy basis
2004	Acquired first agency for steroids and corticosteroids
2005	Began Export of APIs to African countries
2011	Purchased Storage Facility admeasuring 4,410 sq. ft. in Bhiwandi for storage of APIs and Chemicals
2011	Set-up Cold Storage facility for certain sensitive and high value APIs and Chemicals
2011	Changes name of our Company from Ajmera Impex & Trading Pvt. Ltd. to Ajmera Pharmasure Pvt. Ltd.
2013	Acquired 75% shares in Abhishek Organics Pvt. Ltd., making it a subsidiary of or Company
2013	Change of name of our subsidiary Company from Abhishek Organics Pvt. Ltd. to Ajmera Organics Pvt. Ltd.
2015	Changed the status of our Company from Private to Public i.e. to Ajmera Pharmasure Ltd.

ACQUISITION OF BUSINESSES / UNDERTAKINGS

We have not acquired any business/ undertakings till date. However, in the year 2013, we have acquired a 75% stake in Ajmera Organics Pvt. Ltd. (formerly known as Abhishek Organics Pvt. Ltd.) thus making it our subsidiary.

HOLDING COMPANY

Our Company has no holding company.

SUBSIDIARY COMPANIES

Our Company has a subsidiary company, Ajmera Organics Private Limited. The details of the subsidiary company are given below:

- **Ajmera Organics Pvt. Ltd. ("AOPL")**

Incorporation	The Company was incorporated as Abhishek Organics Pvt. Ltd. under the Companies Act, 1956 on January 01, 2002 with the Registrar of Companies, Maharashtra, Mumbai. The name of the company was changed to Ajmera Organics Pvt. Ltd. and the fresh Certificate of Incorporation for the changed name was received from the Registrar of Companies, Maharashtra, Mumbai on August 29, 2013.
Registration No.	134397
CIN No.	U24119MH2002PTC134397
Registered Office	12, Mayani Manor, Above Union Bank of India, M. V. Road, Andheri (East), Mumbai – 400069
Nature of Business	The Company is engaged in the business of manufacture and sale of APIs and Chemicals.

Board of Directors of the Company

Sr. No.	Name	Designation
1.	Mr. Ketan Shah	Director
2.	Mr. Amit Shah	Director
3.	Mr. Jasmin Ajmera	Director
4.	Mr. Manish Ajmera	Director

Capital Structure

Particulars	No. of Equity Shares of ₹ 10/- each
Authorised Share Capital	6,00,000
Issued, Subscribed and Paid-up Capital	6,00,000

Shareholding Pattern of AOPL as on March 31, 2015

Name of the shareholders	Percentage (%)
Ajmera Pharmasure Limited	75.00%
Alka Shah	8.33%
Avni Shah	8.33%
Rashmi Shah	8.33%
Total	**100.00%**

Brief Audited Financials of AOPL

(₹ in lakhs)

Particulars	As at March 31		
	2015	2014	2013
Equity Capital	60.00	60.00	60.00
Reserves and Surplus (excluding revaluation reserve)	11.65	14.89	13.38
Net Worth[(1)]	70.99	74.23	72.72
Income including other income	510.65	405.87	403.83
Profit/ (Loss) after tax	0.08	1.51	1.42
Earnings per share (face value of ₹ 10 each)	0.01	0.25	0.24
Net asset value per share[(2)]	11.83	12.37	12.12

[(1)] Networth calculated as: sum of Equity Share Capital, Reserves (excluding revaluation reserve), Share Application Money (if any) less Miscellaneous Expenses not written off (if any)

(2) NAV per share calculated as: sum of Equity Share Capital, Reserves (excluding revaluation reserve) less Miscellaneous Expenses not written off (if any) / No. of shares outstanding as on date

Other Disclosures

AOPL neither has a negative net-worth nor has made a loss in the immediately preceding year. There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

SHAREHOLDERS' AGREEMENT(S)

There are no Shareholders' Agreements existing as on the date of this Draft Prospectus.

OTHER AGREEMENTS

Except the contracts/agreements entered in the ordinary course of the business carried on or intended to be carried on by our Company, we have not entered into any other agreement/contract as on the date of this Draft Prospectus.

FINANCIAL PARTNERS

We do not have any financial partners as on the date of this Draft Prospectus.

STRATEGIC PARTNERS

We do not have any strategic partners as on the date of this Draft Prospectus.

JOINT VENTURES

As on the date of this Draft Prospectus, there are no joint ventures of our Company.

INJUNCTIONS OR RESTRAINING ORDERS

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

OUR MANAGEMENT

BOARD OF DIRECTORS

We currently have 5 Directors on our Board.

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

Name, Father's Name, Address, Occupation, Term and DIN	Qualification	Age	Designation and Status	Other Directorships
Mr. Deepak Shah **(*S/o:*** *Mr. Bhogilal A. Shah)* **Address:** 175 – Manekbaug Society, Ambawadi, Ahmedabad – 380 015 **Term:** Appointed as Independent Director for a period of five years from July 17, 2015 **Occupation:** Business **Nationality:** Indian **DIN:** 07238961	Bachelor of Commerce	51	Chairman (Non – Executive and Independent Director)	NIL
Mr. Jasmin Ajmera ***(S/o:*** *Kishore H. Ajmera)* **Address:** 24, Aryan Mahal, C Road, 5th Floor, Churchgate, Mumbai – 400 020 **Term:** Liable to retire by rotation; Appointed as Managing Director for a period of 3 years from July 17, 2015 **Occupation:** Business **Nationality:** Indian **DIN:** 00517576	Bachelor of Commerce	52	Managing Director (Executive and Non – Independent Director)	• Ajmera Commodity and Derivatives Private Limited • Asteroid Realty Private Limited • Ajmera Associates Limited • Ashley Resorts Private Limited • Ajmera Organics Private Limited • Avajas Realities LLP
Mr. Manish Ajmera ***(S/o:*** *Mr. Kishore H. Ajmera)* **Address:** 29, Aryan Mahal, C Road, 5th Floor, Churchgate, Mumbai – 400 020 **Term:** Liable to retire by rotation; appointed as Whole Time Director for a period of 3 years from July 17, 2015 **Occupation:** Business **Nationality:** Indian **DIN:** 00032620	Bachelor of Commerce	51	Whole Time Director (Executive and Non – Independent Director)	• Ajmera Associates Limited • Riviera Resorts Private Limited • Asteroid Realty Private Limited • Minman Realities LLP • Birya's Home Makers Private Limited • Ajmera Organics Private Limited • Gokul Shopping Centre Premises Limited

Name, Father's Name, Address, Occupation, Term and DIN	Qualification	Age	Designation and Status	Other Directorships
Mrs. Minal Ajmera ***(W/o:** Mr. Manish Ajmera)* **Address:** 29, Aryan Mahal, C Road, 5th Floor, Churchgate, Mumbai – 400 020 **Term:** Liable to retire by rotation; Appointed as Non-Executive Director as on May 05, 2015 **Occupation:** Business **Nationality:** Indian **DIN:** 00068613	Bachelor of Commerce	50	Director (Non – Executive and Non – Independent Director)	• Essem Capital Markets Limited • Minman Realities LLP
Mr. Utpal Desai ***(S/o:** Mr. Ramanlal M. Desai)* **Address:** Bharat Kunj, 8th Road, Santacruz (E), Mumbai – 400 055 **Term:** Appointed as Independent Director for a period of five years from July 17, 2015 **Occupation:** Professional **Nationality:** Indian **DIN:** 06931523	Chartered Accountant (ACA)	60	Director (Non – Executive and Independent Director)	NIL

Notes:

None of the above mentioned Directors are on the RBI list of wilful defaulters as on the date of filing this Draft Prospectus.

None of our Directors hold or has held any directorship(s) in any listed company which have been / were suspended or delisted from any of the Stock Exchanges.

Further, neither our Company nor our Promoters, persons forming part of our promoter Group, Directors or persons in control of our Company are debarred from accessing the capital market by SEBI.

None of the Promoters, Directors or persons in control of our Company has been involved as a Promoter, Director or person in control of any other Company, which is debarred from accessing the capital market under any order or directions made by SEBI.

Persons designated as 'Independent Directors' are independent in accordance with the requirements of Section 149 of the Companies Act and Clause 52 of the Listing Agreement.

BRIEF BIOGRAPHIES OF OUR DIRECTORS

Mr. Deepak Shah, aged 51 years is the Chairman and Non-Executive Independent Director of our Company. He is completed a Bachelor's Degree from Mumbai University in the year 1986. He has over 26 years experience in capital markets and broking business. He started a broking business in 1989 at ASE and was partner in M/s. Deepak Bhogilal Shah from 1992 to 1995. He also was a partner in M/s. Ajmera & Shah Associates, carrying out broking business from 1995 to 2006. Currently he is a broking franchisee holder of Sushil Financial Services Pvt. Ltd. He was first appointed on our board as an Additional Director on July 17, 2015 and has been designated as Chairman and Independent Director *vide* EGM dated July 21, 2015.

Mr. Jasmin Ajmera, aged 52 years is the Managing Director of our Company. He has completed his Graduation in Commerce from Mumbai University in the year 1985. He has a total experience of 25 years in the pharmaceutical industry. Though he was part of the family business since graduation, he started his individual career in the year 1990 with the incorporation of our Company. Today he is also involved in several of our group companies as a shareholder / director, which cater to varied fields like real estate, hotels & hospitality, capital markets and commodity & derivatives and has amassed experience in legal matters and overall operations of a company. He has been part of our Company since its incorporation as the Director and CEO of our Company. As the Managing Director of our Company, he is responsible for overall growth and strategy of our Company. He was first appointed on our board on May 04, 1990 and has been designated as the Managing Director *vide* EGM dated July 21, 2015.

Mr. Manish Ajmera, aged 51 years, is the Whole Time Director of our Company. He has completed his Graduation in Commerce from Mumbai University in 1986. He has a total experience of about 25 years of experience in the pharmaceutical industry. He started his career in the year 1990 as a Director of our Company. He obtained experience in Customer Relations, Business Development and Compliances as a Sr. Advisor in Ajmera & Shah Associates during the period of 1992 to 2001. He holds directorship in several of our group companies catering to Capital Markets, Hospitality, Pharmaceutical and Real Estate where he has amassed experience in client servicing, investment strategy, business model design, risk management legal, accounting and audit. As the Whole time Director of our Company, he looks after the legal, accounting and audit related matters. He was first appointed on our board on May 04, 1990 and has been designated as Whole Time Director *vide* EGM dated July 21, 2015.

Mrs. Minal Ajmera, aged 50years is a Non-Executive Director of our Company. She has completed her graduation in Commerce from Mumbai University in the year 1988. She has been involved with the capital markets business for a period of approximately 14 years and also has been part of a real estate company of the Ajmera Group. Currently she is involved as the Director of Essem Capital Markets and is a designated partner in Minman Realities LLP. She was appointed on our board as an Additional Director on April 13, 2015 and has been designated as a non-executive director *vide* EGM dated May 05, 2015.

Mr. Utpal Desai, aged 60 years is the Non-Executive Independent Director of our Company. He is a Chartered Accountant from the Institute of Chartered Accountants of India which he obtained in the year 1982. He has over three decades of audit, taxation and other financial services related experience having worked extensively for various CA firms till date. He was appointed on our board as an Additional Director on July 17, 2015 and has been designated as Independent Director *vide* EGM dated July 21, 2015.

RELATIONSHIP BETWEEN DIRECTORS

- Mr. Jasmin Ajmera and Mr. Manish Ajmera are brothers.
- Mr. Manish Ajmera and Mrs. Minal Ajmera are husband and wife.
- Mr. Jasmin Ajmera is the brother-in-law of Mrs. Minal Ajmera.

Save and except the above, none of our Directors are related to each other.

ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS OR OTHERS

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Directors was appointed on the Board.

DETAILS OF SERVICE CONTRACTS WITH DIRECTORS

There are no service-contracts entered into by the Directors with our Company providing for benefits upon termination of employment.

BORROWING POWERS OF THE BOARD

Our Articles, subject to the provisions of the Act, authorise our Board, at its discretion, to generally raise or borrow or secure the payment of any sum or sums of money for the purposes of our Company. Pursuant to a resolution passed by our shareholders at the AGM on August 16, 2014, our Board has been authorised to borrow any sum or sums of monies in excess of our aggregate paid-up capital and free reserves, provided that the total amount which may be so borrowed and outstanding shall not exceed ₹ 550.00 Crores (Rupees Five Hundred and Fifty Crores).

TERMS OF APPOINTMENT OF THE EXECUTIVE DIRECTORS

Mr. Jasmin Ajmera

Mr. Jasmin Ajmera was appointed as the Managing Director of our Company with effect from July 17, 2015 pursuant to a resolution passed by our Shareholders on July 21, 2015. The following are the terms of appointment and remuneration of Mr. Jasmin Ajmera as approved in the above EGM:

1. **Remuneration:**

   Basic Salary: Not exceeding ₹ 12,00,000/- (Rupees Twelve Lakhs only) per annum as may be decided by the Board of Directors from time to time.
   Perquisites: Mr. Jasmin Ajmera shall be entitled for the following perquisites in addition to the salary mentioned herein above:

   i. Housing: The Company shall not provide housing facility.
   ii. Medical Allowances including reimbursement, as per rules of the company, subject to a maximum of ₹ 15,000/- (Rupees Fifteen Thousand) per annum.
   iii. Free Telephone Facility at residence and use of Mobile phone for the business of the company.

2. **Other Benefits:**

   Mr. Jasmin Ajmera shall also be eligible to the following benefits in addition to the above perquisites, which shall not be included in the computation of the ceiling on remuneration as specified hereinabove:

   Leave Encashment: Encashment of leave at the end of tenure will be permitted in accordance with the rules of the Company.

For the purpose of computing ceiling on perquisites, the same will be valued as per Income Tax Rules, 1962 wherever applicable. Further, the total remuneration payable to Mr. Jasmin Ajmera, Managing Director, including all the above shall not exceed the limit of ₹ 42,00,000 /- (Rupees Forty Two Lakhs only) per annum as provided under the provisions of the Companies Act, 2013 unless otherwise approved by the Central Government.

Mr. Manish Ajmera

Mr. Manish Ajmera was appointed as the Whole Time Director of our Company with effect from July 17, 2015 pursuant to a resolution passed by our Shareholders on July 21, 2015. The following are the terms of appointment and remuneration of Mr. Mainsh Ajmera as approved in the above EGM:

1. **Remuneration:**

   Basic Salary: Not exceeding ₹ 12,00,000/- (Rupees Twelve Lakhs only) per annum as may be decided by the Board of Directors from time to time.
   Perquisites: Mr. Jasmin Ajmera shall be entitled for the following perquisites in addition to the salary mentioned herein above:

   i. Housing: The Company shall not provide housing facility.
   ii. Medical Allowances including reimbursement, as per rules of the company, subject to a maximum of ₹ 15,000/- (Rupees Fifteen Thousand) per annum.
   iii. Free Telephone Facility at residence and use of Mobile phone for the business of the company.

2. **Other Benefits:**

   Mr. Jasmin Ajmera shall also be eligible to the following benefits in addition to the above perquisites, which shall not be included in the computation of the ceiling on remuneration as specified hereinabove:

Leave Encashment: Encashment of leave at the end of tenure will be permitted in accordance with the rules of the Company.

TERMS AND CONDITIONS OF EMPLOYMENT OF NON-EXECUTIVE DIRECTORS

In accordance with the board resolution dated April 13, 2015, our Company will, subject to the provisions of the Companies Act and other applicable laws and regulations, pay each non-executive Director sitting fees to attend meetings of the Board and any committee of the Board. Our Company will also reimburse such Directors for out-of-pocket expenses to attend such meetings and perform their role as a Director.

Remuneration paid to the Board of Directors during the last Financial Year

(₹ in lakhs)

Name of Director	Remuneration	Sitting Fees	Other Fees	Total
Mr. Jasmin Ajmera	6.00	0.00	0.00	**6.00**
Mr. Manish Ajmera	6.00	0.00	0.00	**6.00**

Bonus or profit sharing plan for our Directors

Except as set out above, our Directors are not eligible for a bonus.

SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY

The shareholding of our current Directors as on the date of the Draft Prospectus is as follows:

Sr. No.	Name of the Director	Number of Shares held	% of Holding (Pre Offer)
1.	Mr. Deepak Shah	-	-
2.	Mr. Jasmin Ajmera	2,91,500	5.27%
3.	Mr. Manish Ajmera	2,14,500	3.88%
4.	Mrs. Minal Ajmera	1,98,000	3.58%
5.	Mr. Utpal Desai	-	-

INTERESTS OF DIRECTORS

Our Directors, who also are the Promoters, may be deemed to be interested in the promotion of our Company to the extent of shares held by them and their relatives.

All of our Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or allotted to the companies in which they are interested as directors, members, and promoters, pursuant to this Offer. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Except as stated in this section or in "*Annexure XIX - Related Party Transactions*" on page no. 183 of this Draft Prospectus, our Directors do not have any other interest in our business.

Our Directors have no interest in any property acquired by our Company within two years of the date of this Draft Prospectus.

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

The changes in our Board of Directors in the last three years up to the date of filing this Draft Prospectus are as follows:

Name	Date of Appointment / Change of Designation	Date of Cessation	Reason / Comment
Mr. Alpesh Ajmera	-	October 01, 2013	Resignation

Mr. Jiten Ajmera	-	October 01, 2013	Resignation
Mrs. Minal Ajmera	May 05, 2015	-	Appointment as Non-Executive
Mr. Deepak Shah	July 21, 2015	-	Appointment as Chairman and Independent Director
Mr. Utpal Desai	July 21, 2015	-	Appointment as Independent Director
Mr. Jasmin Ajmera	July 21, 2015	-	Designated as Managing Director
Mr. Manish Ajmera	July 21, 2015	-	Designated as Whole time Director

CORPORATE GOVERNANCE

The provisions of the SME Equity Listing Agreement to be entered into by our Company with the Stock Exchange with respect to corporate governance and the SEBI (ICDR) Regulations, 2009 in respect of corporate governance, will be applicable to our Company at the time of seeking in principle approval for listing of our Company's Equity Shares with the Stock Exchanges. Our Company has complied with clause 52 (as applicable) of the SME Equity Listing Agreement in respect of Corporate Governance specially with respect to broad basing of Board, constituting the Committees such as Audit Committee, Stakeholder's Relationship Committee and Nomination and Remuneration Committee.

Composition of the Board of Directors

The Board of Directors of our Company has an optimum combination of executive and non-executive Directors as envisaged in Clause 52 of the SME Equity Listing Agreement. There are 5 Directors on our Board of which 1 is a woman director. Further, our Chairman is a non-executive director and is not related to the Promoters. Accordingly, out of 5 directors, 2 i.e. not less than one-third directors comprise of Non-Executive and Independent Directors in accordance with the requirement of Clause 52 (I) (A) (1) of the SME Equity Listing Agreement of the Stock Exchange.

Sr. No.	Name of the Director	Designation	Status
1.	Mr. Deepak Shah	Chairman and Independent Director	Non – Executive and Independent Director
2.	Mr. Jasmin Ajmera	Managing Director	Executive and Non – Independent Director
3.	Mr. Manish Ajmera	Whole – time Director	Executive and Non – Independent Director
4.	Mrs. Minal Ajmera	Non – Executive Director	Non – Executive and Non – Independent Director
5.	Mr. Utpal Desai	Independent Director	Non – Executive and Independent Director

In accordance with Clause 52 of the SME Equity Listing Agreement, our Company has constituted the following committees:

I. Audit Committee

The Audit Committee of our Board was reconstituted by our Directors by a board resolution dated July 17, 2015 pursuant to section 177 of the Companies Act, 2013. The Audit Committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Utpal Desai	Non-Executive Independent Director	Chairman
Mr. Deepak Shah	Non-Executive Independent Director	Member
Mr. Jasmin Ajmera	Executive Non-Independent Director	Member

The scope of Audit Committee, in addition to any prescribed by the Companies Act, 2013, shall include but shall not be restricted to the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. Recommending to the Board, the appointment, 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. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:

   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
   b. Changes, if any, in accounting policies and practices and reasons for the same;
   c. Major accounting entries involving estimates based on the exercise of judgment by management;
   d. Significant adjustments made in the financial statements arising out of audit findings;
   e. Compliance with listing and other legal requirements relating to financial statements;
   f. Disclosure of any related party transactions; and
   g. Qualifications in the draft audit report.

5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval;

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue / offer (public issue / offer, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

8. Approval or any subsequent modification of transactions of the company with related parties;

9. Scrutiny of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the company, wherever it is necessary;

11. Evaluation of internal financial controls and risk management systems;

12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. To review the functioning of the whistle blower mechanism;

19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate; and

20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee enjoys following powers:

a. To investigate any activity within its terms of reference;

b. To seek information from any employee;

c. To obtain outside legal or other professional advice;

d. To secure attendance of outsiders with relevant expertise if it considers necessary; and

e. The audit committee may invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the Company. The finance director, head of internal audit and a representative of the statutory auditor may be present as invitees for the meetings of the audit committee.

The Audit Committee shall mandatorily review the following information:

a. Management discussion and analysis of financial condition and results of operations;

b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;

c. Management letters / letters of internal control weaknesses issued by the statutory auditors;

d. Internal audit reports relating to internal control weaknesses; and

e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

Meeting of Audit Committee

The audit committee shall meet at least four times in a year and not more than four months shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be a minimum of two independent members present. Since the formation of the committee, no Audit Committee meetings have taken place.

II. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee of our Board was constituted by our Directors pursuant to section 178 (5) of the Companies Act, 2013 by a board resolution dated July 17, 2015. The Shareholder and Investor Grievance Committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Deepak Shah	Non-Executive Independent Director	Chairman
Mr. Utpal Desai	Non-Executive Independent Director	Member
Mrs. Minal Ajmera	Non-Executive Non-Independent Director	Member

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

1. Allotment and listing of our shares in future;

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. Reference to statutory and regulatory authorities regarding investor grievances;

5. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances; and

6. And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

Quorum and Meetings

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be two members or one third of the members, whichever is greater. Since the formation of the committee, no Stakeholders Relationship Committee meetings have taken place.

Policy on Disclosures and Internal procedure for prevention of Insider Trading

The provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the Stock Exchange. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of our Equity Shares on stock exchange.

III. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of our Board was constituted by our Directors pursuant to section 178 of the Companies Act, 2013 by a board resolution dated July 17, 2015.

The Nomination and Remuneration Committee currently comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Utpal Desai	Non-Executive Independent Director	Chairman
Mr. Deepak Shah	Non-Executive Independent Director	Member
Mrs. Minal Ajmera	Non-Executive Non-Independent Director	Member

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

b) Formulation of criteria for evaluation of Independent Directors and the Board;

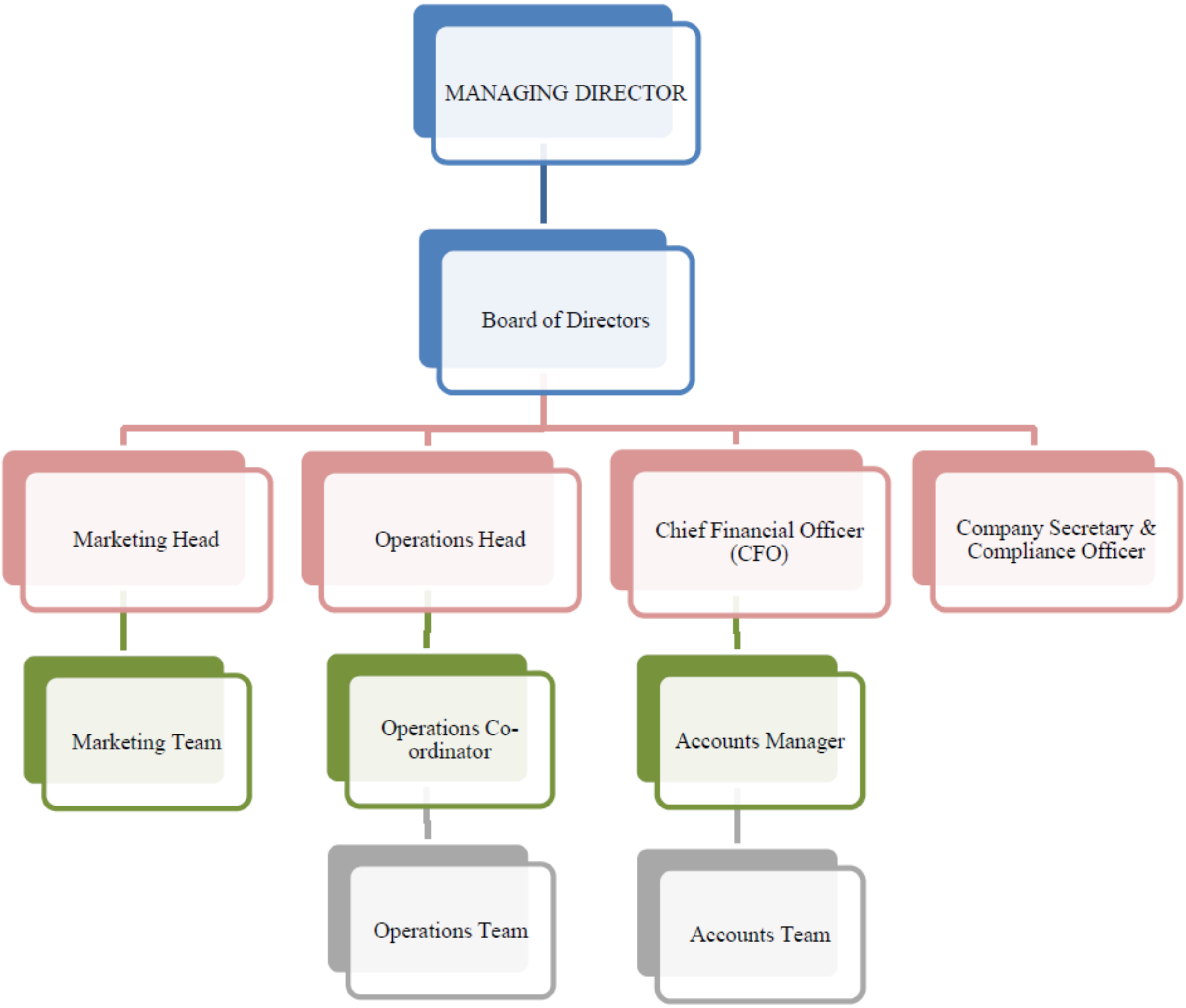
c) Devising a policy on Board diversity; and

d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

Quorum and Meetings

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Committee has had a meeting on July 20, 2015 for finalising the remuneration payable to the Executive Directors for their term of appointment.

ORGANISATION CHART



Note:
Our company has appointed Ms. Jinkle Khimsaria as a Trainee Company Secretary. Though she has completed her CS examinations in November 2014, she is yet to complete her training as mandated by the Institute of Company Secretaries of India (ICSI) and hence she has not received her registration number from ICSI. Once she gets the registration number, we propose to appoint her as the full time Company Secretary and Compliance Officer by filing the relevant RoC form.

KEY MANAGERIAL PERSONNEL

Our company is managed by Board of Directors, assisted by qualified and experienced professionals in the field of production, finance and marketing. The following key personnel assist the management.

Mr. Jasmin Ajmera, 52, is the CFO of our Company. For complete details of his profile and remuneration for year 2014-15, please refer "*Brief biographies of our Directors*" in the chapter titled "*Our Management*" on page no. 118 of this Draft Prospectus.

Mr. Aliasgar Pattanwala, 30, is the Accounts Manager in our Company. He is an under-graduate and completed 1st year of Bachelor of Commerce in the year 2003. He has about 12 years of work experience having worked in the field of accounts and taxation since 2003 and has been associated in the past with entities like M. K. Medico and F. Taiyabali & Co. as Accounts Assistant till 2005 and Perma Construction Aids Pvt, Ltd. as Accounting Clerk till 2009. He joined our Company in November 10, 2009 as Accounts - Executive and has been re-designated as Accounts – Manager in our Company as on January 05, 2015. He directly reports to the CFO and is in charge of accounts related work and maintaining cash / fund flow matters of our Company. During financial year 2014-15, he was paid a gross compensation of ₹ 1.68 lakhs.

Mr. Nipul Sanghavi, 40, holds the position of Marketing Head in our Company. He has 23 years of work experience in pharmaceutical marketing. He started his career working as a marketing executive in a pharmaceutical firm and in 1993 he started his own business of brokerage in pharmaceutical raw materials. In 2006 he also started his own trading business in the name of Dhairya Impex. He joined our Company in 2008 and assumed the charge of all marketing and sales & purchases of the Company, including client interaction, data collection, sales & purchase data analysis, etc. He was appointed in our Company on June 01, 2008 as Sr. Manager (Sales & Purchase) and has been re-designated to his current position on April 01, 2015. During financial year 2014-15, he was paid a gross compensation of ₹ 4.50 lakhs.

Mr. Vinodkumar Doshi, 77, holds the position of Operations Head in our Company. He holds a bachelor's degree in Science from Mumbai University (erstwhile University of Bombay) in the year 1962. He has 50 years of work experience in operations and quality control. Prior to joining our Company, he was associated with Raptakos, Brett & Co. Ltd. from 1965 till 2000. He worked briefly with Shantilal & Co. as a consultant for a period of six (6) months and joined our Company as Operations Head on January 04, 2001. He is in charge of overall operations and quality control of our Company. During financial year 2014-15, he was paid a gross compensation of ₹ 1.45 lakhs.

Mr. Jitendra Mehta, 73, holds the position of Operations Co-ordinator in our Company. He has an overall 48 years of work experience out of which 47 years has been amassed in the various fields like Purchase, Marketing, Collection, etc. working as a partner in M/s. Vijay Pack & Print, a printing press & wholesalers of paper boards and B.O.P.P. films. He joined our Company as Operations Co-ordinator on December 01, 2014. He is in charge of co-ordinating and to set-up links with various departments of our Company for the smoother operations of all business activity. During financial year 2014-15, he was paid a gross compensation of ₹ 1.40 lakhs.

Ms. Bhavisha Dedhia, 31, holds the position of Head – HR and Legal of our Company. She has completed MBA specialising in Human Resource Management from Institute of Technology and Management. She has 10 years of work experience in HR and admin and has been associated with various companies / firms like Jones Lang LaSalle, Trinity Academy for Corporate Training Ltd., HDFC Life and Therapeutics Chemical Research Corporation prior to joining our Company. She was appointed in our Company on January 13, 2015 as Assistant Manager – Training & Development & HR and was designated to her current position on April 01, 2015. She is in charge of the HR activities including training and development and also handles legal co-ordination of our Company. During financial year 2014-15, she was paid a gross compensation of ₹ 1.03 lakhs.

Notes:

- Our company has appointed Ms. Jinkle Khimsaria as a Trainee Company Secretary. Though she has completed her CS examinations in November 2014, she is yet to complete her training as mandated by the Institute of Company Secretaries of India (ICSI) and hence she has not received her registration number from ICSI. Once she gets the registration number, we propose to appoint her as the full time Company Secretary and Compliance Officer by filing the relevant RoC form and appropriate details will be disclosed in this chapter.

- All the Key Managerial Personnel mentioned above are on the payrolls of our Company as the permanent employees.

- There is no arrangement or understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned key managerial personnel have been recruited.

RELATIONSHIPS BETWEEN KEY MANAGERIAL PERSONNEL

None of the Key Managerial Personnel are related to each other:

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

None of the Key Managerial Personnel hold any Equity Shares in our Company as on date of this Draft Prospectus.

BONUS OR PROFIT SHARING PLAN OF THE KEY MANAGERIAL PERSONNEL

Our Company does not have a performance linked bonus or a profit sharing plan for the Key Managerial Personnel.

EMPLOYEES STOCK OPTION SCHEME

Our Company does not have any Employee Stock Option Scheme or other similar scheme giving options to our employees. Apart from salary and usual perquisites and the employee provident fund scheme, no other benefits have been offered to the officers of the Company.

INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. The Key Management Personnel may also be deemed to be interested to the extent of Equity Shares held by them and any dividend payable to them and other distributions in respect of such Equity Shares, if any.

PAYMENT OF BENEFITS TO OFFICERS OF OUR COMPANY

Except for payment of monetary and non-monetary benefits in accordance with the terms of employment or engagement, we have neither paid any amount/ given any benefit to any Officer of our Company in a period of two years before the date of the Draft Prospectus, nor such amount / benefit intended to be paid or given to any officer as on the date of the Draft Prospectus.

CHANGES IN THE KEY MANAGERIAL PERSONNEL

The changes in our Key Managerial Personnel in the last three years up to the date of filing this Draft Prospectus are as follows:

Name	Date Of Appointment	Date of Cessation	Reason
Mr. Jitendra Mehta	December 01, 2014	N. A.	Appointment
Mr. Aliasgar Pattanwala	January 05, 2015	N. A.	Change in Designation
Mr. Nipul Sanghavi	April 01, 2015	N. A.	Change in Designation
Ms. Bhavisha Dedhia	April 01, 2015	N. A.	Change in Designation
Mr. Jasmin Ajmera	July 17, 2015	N. A.	Change in Designation

OUR PROMOTERS AND PROMOTER GROUP

OUR PROMOTERS

Our company is promoted by Mr. Jasmin Ajmera, Mr. Manish Ajmera, Mrs. Avani Ajmera, Mr. Harsh Ajmera, Jasmin Ajmera (HUF) and Manish Ajmera (HUF).

The details of our individual promoters are as follows:

Mr. Jasmin Ajmera	
	**Mr. Jasmin Ajmera,** aged 52 years is the Managing Director of our Company. He has completed his Graduation in Commerce from Mumbai University in the year 1985. He has a total experience of 25 years in the pharmaceutical industry. Though he was part of the family business since graduation, he started his individual career in the year 1990 with the incorporation of our Company. Currently, he is also involved in several of our group companies as a shareholder / director, which cater to varied fields like real estate, hotels & hospitality, capital markets and commodity & derivatives and has amassed experience in legal matters and overall operations of a company. He has been part of our Company since its incorporation as the Director and CEO of our Company. He has been appointed as the Managing Director and CFO w. e. f. July 21, 2015.
Other Interests	• Ajmera Commodities & Derivatives Pvt. Ltd. • Asteroid Realty Pvt. Ltd. • Ajmera Associates Ltd. • Ashley Resorts Pvt. Ltd. • Ajmera Organics Pvt. Ltd. • Avajas Realties LLP
Driving License	MH01 – 20090023512
PAN	AABPA7827Q
Passport Number	J 6062331
Personal Address	29, 5th Floor, Aryan Mahal, C – Road, Churchgate, Mumbai – 400 020

Mr. Manish Ajmera	
	**Mr. Manish Ajmera**, aged 51 years, is the Whole Time Director of our Company. He has completed his Graduation in Commerce from Mumbai University in 1986. He has a total experience of about 25 years of experience in the pharmaceutical industry. He started his career in the year 1990 as a Director of our Company. He obtained experience in Customer Relations, Business Development and Compliances as a Sr. Advisor in Ajmera & Shah Associates during the period of 1992 to 2001. He holds directorship in several of our group companies catering to Capital Markets, Hospitality, Pharmaceutical and Real Estate where he has amassed experience in client servicing, investment strategy, business model design, risk management legal, accounting and audit. As the Whole time Director of our Company, he looks after the legal, accounting and audit related matters. He has been part of our Company since its incorporation as a Director and has been designated as Whole Time Director *vide* EGM dated July 21, 2015.
Other Interests	• Ajmera Associates Ltd. • Asteroid Realty Pvt. Ltd. • Ajmera Organics Pvt. Ltd. • Birya's Home Makers Pvt. Ltd. • Gokul Shopping Centre Premises Pvt. Ltd. • Riviera Resorts Pvt. Ltd. • Minman Realties LLP
Voter ID	MT/04/019/255920
Driving License	MH01 – 20080133094
PAN	AABPA7898P
Passport Number	H 8671719
Personal Address	29, 6th Floor, Aryan Mahal, C – Road, Churchgate, Mumbai – 400 020

Mrs. Avani Ajmera	
	**Mrs. Avani Ajmera**, aged 49 years, is one of the promoter shareholders of our company since 1995. She is the wife of our Promoter Mr. Jasmine Ajmera. She has completed her Bachelors in Commerce from Mumbai University in the year 1988. She has been part of the Family business of the Ajmera Group and was a Director of a NBFC Company of the group, International Financial Services Limited, for a period of four (4) years i.e. from February 08, 2006 till January 11, 2010. Currently she is a member of an AOP, M/s. Armaan Associates.
Other Interests	• Richie Rich Resorts Ltd. • Gokul Shopping Centre Premisis Ltd. • Avajas Realities LLP
Voter ID	HHJ0428136
Driving License	MH01 – 20080123712
PAN	ADDPA9331J
Passport Number	K 4071184
Personal Address	29, 5th Floor, Aryan Mahal, C – Road, Churchgate, Mumbai – 400 020

Mr. Harsh Ajmera	
	**Mr. Harsh Ajmera**, aged 27 years, is one of the Promoter shareholders of our company since 2009. He is the son of our founder, Mr. Jasmin Ajmera. He has completed his Postgraduate Certification in Marketing Management from Aston University, UK, in the year 2010. He has approximately 5 years of experience in the hospitality and finance industry. He is a Director and partner in various Ajmera Group Companies and LLPs since June 2011.
Other Interests	• Graysound Real Estate Pvt. Ltd. • Oceanmint Developers Pvt. Ltd. • Essem Capital Markets Ltd. • Adamo Hospitality LLP • Acharya Reality LLP • Nirali Real Estate LLP • Right Eye Real Estate LLP • Ajmera Cityscapes LLP
Driving License	MH01 – 20080002047
PAN	AEMPA4965L
Passport Number	G 2452975
Personal Address	29, 5th Floor, Aryan Mahal, C – Road, Churchgate, Mumbai – 400 020

Jasmin Ajmera (HUF)
Jasmin Ajmera (HUF) having PAN – AABHJ9049K, was formed as a Hindu Undivided Family on April 01, 1995 having its registered office at 63/67, Carmellos Building, L. T. Marg, Opp. G. T. Hospita1, Pathakwadi, Mumbai – 400 002. Mr. Jasmin Ajmera is the Karta of Jasmin Ajmera (HUF).
The present members of Jasmin Ajmera (HUF) are: 1. Jasmin Ajmera 2. Avani Ajmera 3. Harsh Ajmera 4. Charmi Ajmera

Manish Ajmera (HUF)
Mainsh Ajmera (HUF) having PAN – AADHM4708A, was formed as a Hindu Undivided Family on April 01, 1995 having its registered office at 63/67, Carmellos Building, L. T. Marg, Opp. G. T. Hospita1, Pathakwadi, Mumbai – 400 002. Mr. Manish Ajmera is the Karta of Manish Ajmera (HUF).
The present members of Manish Ajmera (HUF) are: 1. Manish Ajmera

2.	Minal Ajmera
3.	Jesal Ajmera

We undertake that the details of the Permanent Account Number, Bank Account Numbers, and Passport Number of our Promoters will be submitted to the stock exchanges at the time of filing the Draft Prospectus with them.

Further, we confirm that the Permanent Account Number and Bank Account number of Jasmin Ajmera (HUF) and Manish Ajmera (HUF) will be submitted to the stock exchanges at the time of filing the Draft Prospectus with them.

No shares for lock-in towards minimum promoter contribution has been offered by SEBI registered Venture Capital Fund, Foreign Venture Capital Investors or Alternate Investment Funds.

Interests of Promoters

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their shareholding and the dividend payable, if any and other distributions in respect of the Equity Shares held by them. For details on shareholding of our Promoters in our Company, see the sections "*Capital Structure*" and "*Our Management*" on page nos. 51 and 118 respectively of this Draft Prospectus.

Further, our Promoters who are also the Directors of our Company may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent of other remuneration, reimbursement of expenses payable to them for services rendered to our Company in accordance with the provisions of the Companies Act, 2013 (to the extent notified), Companies Act, 1956, terms of the Articles of Association and their terms of appointment. For further details please refer chapter titled "*Our Management*" on page no. 118 of this Draft Prospectus.

Our Promoters may also be deemed to be interested in the transactions entered into by our Company and the ventures where he/she is interested as a Promoter, Director or otherwise. For details of such transactions, please refer to *"Annexure XIX - Related Party Transactions"* on page no. 183 of this Draft Prospectus.

Our Promoters have no interest in any property acquired by our Company within two years of the date of this Draft Prospectus.

Except as stated otherwise in this Draft Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company other than in the normal course of business.

Payment of Benefits to our Promoters

Except as stated in the chapter "*Our Management*" on page no. 118 of this Draft Prospectus and in "*Annexure XIX – Related Party Transactions*" under the chapter "*Financial Statements*" on page no. 183 of this Draft Prospectus, there has been no other payment of benefits given to our Promoters in the two years preceding the date of this Draft Prospectus.

Common Pursuits

Except as disclosed in the Draft Prospectus, none of our Promoters have any interest in any venture involved in any activities similar to those conducted by our Company.

Other Ventures of our Promoters

Save and except as disclosed in the chapter titled "*Group Entities*" beginning on page no. 137 of this Draft Prospectus, there are no other ventures of our Promoters in which they have business interests/other interests.

Confirmations

Our Promoter and Promoter Group confirm that they have not been declared as wilful defaulter by RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them.

Our Promoter, Promoter Group, Group Entity or the Companies with which our Promoter is or was associated as a promoter have not been (i) prohibited from accessing the capital markets under any order or direction passed by SEBI or any other authority or (ii) refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of our Promoters has been declared as a wilful defaulter by the RBI or any other governmental authority and there are no violations of securities laws committed by our Promoters in the past or are pending against them. None of our Promoters, Promoter Group entities or bodies corporate forming part of the Promoter Group has been; (i) prohibited from accessing the capital markets under any order or direction passed by SEBI or any other authority except as disclosed under the section "*Outstanding Litigation and Material Developments*" on page no. 205 of this Draft Prospectus or (ii) refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

Except as disclosed under the section "*Outstanding Litigation and Material Developments*" on page no. 205 of this Draft Prospectus, there are no litigations or legal actions pending or taken by any ministry, department of the Government or statutory authority against our Promoters during five years preceding the date of the Draft Prospectus.

Our Promoters are not and have never been a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Companies with which our Promoters have disassociated in the last three years

Except as disclosed below, our Promoters have not disassociated themselves from any of the companies, firms or entities during the last three years preceding the date of this Draft Prospectus:

Mr. Jasmin Ajmera

Name of the Company	No. of Shares Held	No. of Shares Sold	Date of Transfer	Date of appointment as Director	Date of Cessation as Director	Reason for Disassociation
Essem Capital Markets Ltd.	-	-	-	January 06, 1995	August 02, 2013	Retirement from Directorship
Richie Rich Resorts Ltd.	-	-	-	March 27, 1996	August 02, 2013	Retirement from Directorship
Aishwarya Hotels Pvt. Ltd.[(1)]	-	-	-	October 29, 2010	September 20, 2013	Retirement from Directorship
Right Eye Real Estate Pvt. Ltd.[(2)]	5,000	5,000	September 20, 2013	April 23, 2011	September 20, 2013	Retirement from Directorship

[(1)] *Converted to LLP as on May 19, 2015*
[(2)] *Converted to LLP as on January 22, 2015*

Mrs. Avani Ajmera

Name of the Company	No. of Shares Held	No. of Shares Sold	Date of Transfer	Date of appointment as Director	Date of Cessation as Director	Reason for Disassociation
International Financial Services Ltd.	-	-	-	February 08, 2006	January 11, 2010	Retirement from Directorship

Mr. Harsh Ajmera

Name of the Company	No. of Shares Held	No. of Shares Sold	Date of Transfer	Date of appointment as Director	Date of Cessation as Director	Reason for Disassociation
Oceanmint Developers Pvt. Ltd.	5,000	5,000	May 15, 2014	April 09, 2012	May 15, 2014	Retirement from Directorship
Aishwarya Hotels Pvt. Ltd.[(1)]	-	-	-	September 20, 2013	May 19, 2015	Company converted to LLP where Mr. Harsh Ajmera is not one of the Designated Partners

[(1)] *Converted to LLP as on May 19, 2015*

Mr. Manish Ajmera

Name of the Company	No. of Shares Held	No. of Shares Sold	Date of Transfer	Date of appointment as Director	Date of Cessation as Director	Reason for Disassociation
Richie Rich Resorts Ltd.	-	-	-	March 27, 1996	August 02, 2013	Retirement
Aishwarya Hotels Pvt. Ltd.[(1)]	-	-	-	October 29, 2010	September 20, 2013	Retirement

[(1)] *Converted to LLP as on May 19, 2015*

OUR PROMOTER GROUP

Individuals forming part of promoter Group

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

Relationship	Mr. Jasmin Ajmera	Mrs. Avani Ajmera	Mr. Harsh Ajmera	Mr. Manish Ajmera
Father	Kishore Ajmera	Tarun Panchamiya	Jasmin Ajmera	Kishore Ajmera
Mother	Mrudula Ajmera	Jayshree Panchamiya	Avani Ajmera	Mrudula Ajmera
Spouse	Avani Ajmera	Jasmin Ajmera	Trishna Ajmera	Minal Ajmera
Brother(s)	Manish Ajmera; Ashish Ajmera; Alpesh Ajmera; Jiten Ajmera	Uday Panchamiya; Hiral Panchamiya	-	Jasmin Ajmera; Ashish Ajmera; Alpesh Ajmera; Jiten Ajmera
Sister(s)	-	-	Charmi Ajmera	-
Son(s)	Harsh Ajmera	Harsh Ajmera	Mihaan Ajmera	Jesal Ajmera
Daughter(s)	Charmi Ajmera	Charmi Ajmera	-	-
Spouse's Father	Tarun Panchamiya	Kishore H. Ajmera	Ajit Barodia	Chandubhai Parekh
Spouse's Mother	Jayshree Panchamiya	Mrudula K. Ajmera	Falguni Barodia	
Spouse's Brother(s)	Uday Panchamiya; Hiral Panchamiya	Manish Ajmera; Ashish Ajmera; Alpesh Ajmera; Jiten Ajmera	-	Dilip Parekh; Abhay Parekh
Spouse's Sister(s)	-	-	Khushbu Barodia	Jayshree Kundalia; Bharti Shah; Kalpana Doshi; Pallavi Mehta

Entities forming part of the Promoter Group

Besides for our subsidiary company – Ajmera Organics Pvt. Ltd, the following entities form part of our Promoter Group pursuant to the terms of Regulation 2 (1) (zb) (iv) of SEBI (ICDR) Regulations.

1.	Richie Rich Resorts Ltd.	18.	Minman Realities LLP
2.	Ashley Resorts Pvt. Ltd.	19.	Acharya Reality LLP
3.	Ajmera Associates Ltd.	20.	Nirali Real Estate LLP
4.	Ajmera Commodity and Derivatives Pvt. Ltd.	21.	Aishwarya Hotels LLP
5.	International Financial Services Ltd.	22.	Nisalp Realities LLP
6.	Birya's Home Makers Pvt. Ltd.	23.	M/s. Om Shanti House
7.	Essem Capital Markets Ltd.	24.	M/s. M. K. Group
8.	Ajmera Cityscapes Pvt. Ltd.	25.	M/s. Gilbert Hill Construction
9.	Asteroid Reality Pvt. Ltd.	26.	M/s. Harsh Construction
10.	Riviera Resorts Pvt. Ltd.	27.	M/s. Vaishnav Developers
11.	Taj Iron and Steel Works Pvt. Ltd.	28.	M/s. B. A. Enterprises
12.	Graysound Real Estate Pvt. Ltd.	29.	M/s. H. J. Corporation
13.	Ashjit Realities Pvt. Ltd.	30.	M/s. D. H. Corporation
14.	Molecule Motion Pictures Pvt. Ltd.	31.	M/s. J. D. Corporation
15.	Gokul Shopping Centre Premises Limited	32.	M/s. Rikki Ronnie Estates & Properties
16.	Adamo Hospitality LLP	33.	M/s. Dhruv Construction
17.	Avajas Realities LLP		

The following HUFs form part of our Promoter Group pursuant to the terms of Regulation 2 (1) (zb) (iv) of SEBI (ICDR) Regulations.

1.	Kishore H. Ajmera (HUF)	5.	Harsh J. Ajmera (HUF)
2.	Alpesh K. Ajmera (HUF)	6.	Manharlal H. Ajmera (HUF)
3.	Ashish K. Ajmera (HUF)	7.	Pankaj M. Ajmera (HUF)
4.	Jiten K. Ajmera (HUF)	8.	Jayesh M. Ajmera (HUF)

Note: In addition to the above, proprietary concerns (in which persons forming part of the promoter group are proprietors) would also form part of our promoter group.

Others forming part of the Promoter Group

The following persons form part of our Promoter Group pursuant to the terms of Regulation 2 (1) (zb) (v) of SEBI (ICDR) Regulations.

1.	Mr. Ashwini Ajmera	6.	Ms. Anushka Ajmera
2.	Mr. Divyam Ajmera	7.	Mr. Mihaan Ajmera
3.	Mrs. Nishita Ajmera	8.	Ms. Trishna Ajmera
4.	Mrs. Reena Ajmera	9.	Mr. Rajveer Ajmera
5.	Mr. Dhruv Ajmera	10.	Mr. Nitin Ajmera

Hence, the following table explains the shareholding of our promoter and promoter group:

Category of Promoters		Pre Offer		Post Offer	
		No. of Shares	%	No. of Shares	%
4.	**Promoters**				
	Mr. Jasmin Ajmera	2,91,500	5.27%	2,91,500	5.27%
	Mr. Manish Ajmera	2,14,500	3.88%	49,500	0.89%
	Mrs. Avani Ajmera	2,36,500	4.27%	2,36,500	4.27%
	Mr. Harsh Ajmera	2,20,000	3.98%	2,20,000	3.98%
	Jasmin K. Ajmera (HUF)	1,10,000	1.99%	1,10,000	1.99%
	Manish K. Ajmera (HUF)	2,75,000	4.97%	2,75,000	4.97%
5.	**Promoters Group** (as defined by SEBI (ICDR) Regulations)				
	Mr. Alpesh Ajmera	1,26,500	2.29%	71,500	1.29%
	Mr. Ashish Ajmera	1,59,500	2.88%	49,500	0.89%
	Mr. Kishore Ajmera	1,81,500	3.28%	1,81,500	3.28%
	Mr. Jiten Ajmera	2,47,500	4.47%	1,37,500	2.49%
	Mrs. Minal Ajmera	1,98,000	3.58%	1,13,000	2.04%

Category of Promoters	Pre Offer		Post Offer	
	No. of Shares	%	No. of Shares	%
Mr. Jesal Ajmera	1,10,000	1.99%	1,10,000	1.99%
Harsh J. Ajmera (HUF)	55,000	0.99%	55,000	0.99%
Richie Rich Resorts Pvt. Ltd.	5,83,000	10.54%	-	-
Kishore H. Ajmera (HUF)	3,08,000	5.57%	-	-
Alpesh K. Ajmera (HUF)	2,75,000	4.97%	2,75,000	4.97%
Ashish K. Ajmera (HUF)	2,20,000	3.98%	2,20,000	3.98%
Jiten K. Ajmera (HUF)	2,20,000	3.98%	2,20,000	3.98%
6. Other Persons, Firms or Companies whose shareholding is aggregated for the purpose of disclosing in the Draft Prospectus under the heading "Shareholding of the Promoter Group".				
Mr. Ashwini Ajmera	1,76,000	3.18%	1,76,000	3.18%
Mr. Divyam Ajmera	71,500	1.29%	71,500	1.29%
Mrs. Nishita Ajmera	71,500	1.29%	71,500	1.29%
Mrs. Reena Ajmera	1,10,000	1.99%	1,10,000	1.99%
Mr. Dhruv Ajmera	2,20,000	3.98%	2,20,000	3.98%
Ms. Anushka Ajmera	55,000	0.99%	55,000	0.99%
Mr. Mihaan Ajmera	55,000	0.99%	55,000	0.99%
Ms. Trishna Ajmera	55,000	0.99%	55,000	0.99%
Mr. Rajveer Ajmera	55,000	0.99%	55,000	0.99%
Manharlal H. Ajmera (HUF)	1,10,000	1.99%	1,10,000	1.99%
Pankaj M. Ajmera (HUF)	55,000	0.99%	55,000	0.99%
Jayesh M. Ajmera (HUF)	71,500	1.29%	71,500	1.29%
Mr. Nitin Ajmera	88,000	1.59%	-	-
Total Promoter & Promoter Group Holding	**52,25,000**	**94.43%**	**37,21,000**	**67.26%**
Total Paid up Capital	**55,33,000**	**100.00%**	**55,33,000**	**100.00%**

OUR GROUP ENTITIES

In addition to our Promoter Group, as specified under the section "*Our Promoters and Promoter Group*" on page no. 130 of this Draft Prospectus, the following companies shall form part of our Promoter Group Entities based on the following definition approved by the Board of our company vide meeting held on September 25, 2015:

"Group companies for APL shall mean companies covered under the applicable accounting standards and other material group companies wherein materiality is defined as companies under the same management (i.e. common directorships of our executive directors) and also material companies (i.e. having a turnover of more than ₹ 100 lakhs), in which our promoters have substantial interest (i.e. more than 26%)."

Our Group entities based on above definition are:

I. Ajmera Associates Limited
II. Ashley Resorts Private Limited
III. International Financial Services Limited
IV. Richie Rich Resorts Limited
V. Ajmera Commodities and Derivatives Private Limited
VI. Biryas Homemakers Private Limited
VII. Essem Capital Markets Limited
VIII. Asteroid Realty Private Limited
IX. Graysound Real Estate Private Limited
X. Gokul Shopping Centre Premises Limited
XI. Adamo Hospitality LLP

FINANCIAL INFORMATION OF GROUP ENTITIES

As per Schedule VIII (IX) (C) (2) of the SEBI (ICDR) Regulations 2009, the financial information of top five group companies on the basis of Turnover, are given below:

I. ADAMO HOSPITALITY LLP ("AHL")

Incorporation	The Company was originally incorporated as Adamo Hospitality Private Limited under the Companies Act 1956, on June 17, 2011 in the state of Maharashtra. It was converted into a Limited Liability Partnership (LLP) vide a special resolution passed in the shareholders meeting held on March 14, 2014 and the Certificate of Regostration on conversion was received on August 26, 2014 from the Registrar of Companies, Mumbai. The LLP Deed was signed between the designated Partners on September 26, 2014.
LLPIN	AAC – 6301
Registered Office	4th Floor, 63/67, Carmellos Building, Pathakwadi Road, Lohar Chawl, Kalbadevi Mumbai – 400 002
Nature of Business	The Company is engaged in the business of Real Estate and Property Development, with concentration on providing Hospitality Services including Hotels, Resorts, Spas, etc. in India and abroad.
Registrar of Companies	100, Everest, Marine Drive, Mumbai – 400 002

Designated Partners as on March 31, 2015

Sr. No.	Name	Designation
1.	Harsh Jasmin Ajmera	Designated Partner
2.	Jesal Manish Ajmera	Designated Partner

Share of partnership of AHL as on March 31, 2015

Name of the shareholders	Percentage (%)
Harsh Jasmin Ajmera	50%
Jesal Manish Ajmera	50%
Total	**100.00%**

Brief Audited Financials of AHL

(₹ in lakhs)

Particulars	As at March 31		
	2014	2013	2012
Equity Capital	1.00	1.00	1.00
Reserves and Surplus (excluding revaluation reserve)	7.42	13.87	(0.50)
Net Worth(1)	8.29	14.67	0.25
Income including other income	959.29	792.24	-
Profit/ (Loss) after tax	(6.45)	14.36	(0.50)
Earnings per share (face value of ₹ 10 each)	(64.50)	143.60	5.00
Net asset value per share(2)	82.90	146.70	2.46

(1) Networth calculated as: sum of Equity Share Capital, Reserves (excluding revaluation reserve), Share Application Money (if any) less Miscellaneous Expenses not written off (if any)
(2) NAV per share calculated as: sum of Equity Share Capital, Reserves (excluding revaluation reserve) less Miscellaneous Expenses not written off (if any) / No. of shares outstanding as on date

Other Disclosures:

The Equity Shares of AHL are not listed on Stock Exchange

AHL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up. Further, AHL does not have a negative net-worth in the immediately preceding year.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

II. AJMERA ASSOCIATES LIMITED ("AAL")

Incorporation	The Company was originally incorporated as Ajmera Associates Private Limited under the Companies Act 1956, on December 11, 2001 in the state of Maharashtra. It was converted into a limited company vide special resolution dated November 14, 2007. The fresh certificate of incorporation, pursuant to the change in name to Ajmera Associates Limited, was received on December 28, 2007 from the Registrar of Companies Maharashtra, Mumbai.
CIN	U67120MH2001PLC134203
Registered Office	4th Floor, 63/67, Carmellos Building, Pathakwadi Road, Lohar Chawl, Kalbadevi Mumbai – 400 002
Nature of Business	The Company in engaged in the business of share and stock brokers as a member of any recognized stock exchange for the purpose of dealing in capital markets, debt markets, futures and options, debentures, notes, coupons, warrants or any other securities in India and abroad
Registrar of Companies	100, Everest, Marine Drive, Mumbai – 400 002

Board of Directors as on March 31, 2015

Sr. No	Name	Designation
1.	Manish Kishore Ajmera	Managing Director
2.	Ashish Kishore Ajmera	Director
3.	Jiten Kishore Ajmera	Director
4.	Jasmin Kishore Ajmera	Director

Shareholding Pattern of AAL as on September 30, 2014

Name of the shareholders	Number of equity shares held	Percentage (%)
Our Promoters		
Jasmin Kishore Ajmera	86,150	1.41%
Avani Jasmin Ajmera	64,910	1.06%
Harsh Jasmin Ajmera	78,500	1.29%
Jasmin K. Ajmera (HUF)	14,301	0.23%

Name of the shareholders	Number of equity shares held	Percentage (%)
Alpesh K. Ajmera (HUF)	20,001	0.33%
Sub – Total (A)	**2,63,862**	**4.32%**
Our Promoter Group (B)	**56,84,453**	**93.06%**
Other Public / Relatives (C)	**1,59,777**	**2.62%**
Total (A + B + C)	**61,08,092**	**100.00%**

Brief Audited Financials of AAL

(₹ in lakhs)

Particulars	As at March 31		
	2014	2013	2012
Equity Share Capital	610.81	610.81	610.81
Reserves and Surplus (excluding revaluation reserve)	2,184.20	2,140.41	2,080.47
Net Worth(1)	2,795.01	3,016.22	2,684.98
Income including other income	291.04	409.79	545.09
Profit/ (Loss) after tax	43.79	59.94	85.06
Earnings per share (face value of ₹ 10 each)	0.72	0.98	1.38
Net asset value per share	45.76	49.38	43.45

(1) Networth calculated as: sum of Equity Share Capital, Reserves (excluding revaluation reserve), Share Application Money (if any) less Miscellaneous Expenses not written off (if any)
(2) NAV per share calculated as: sum of Equity Share Capital, Reserves (excluding revaluation reserve) less Miscellaneous Expenses not written off (if any) / No. of shares outstanding as on date

Other Disclosures:

The Equity Shares of AAL are not listed on Stock Exchange.

AAL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up. Further, AAL neither has a negative net-worth nor has made a loss in the immediately preceding year.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

III. ASHLEY RESORTS PRIVATE LIMITED ("ARPL")

Incorporation	The Company was incorporated as Ashley Resorts Private Limited under the Companies Act 1956, on December 22, 2003 in the state of Maharashtra.
CIN	U55101MH2003PTC143594
Registered Office	4th Floor, 63/67, Carmellos Building, Pathakwadi Road, Lohar Chawl, Kalbadevi Mumbai – 400 002
Nature of Business	The Company is in the business of running and managing hotels, motels, restaurants, cafes, bars resorts, boarding and lodging houses, clubs, etc.
Registrar of Companies	100, Everest, Marine Drive, Mumbai – 400 002

Board of Directors as on March 31, 2015

Sr. No	Name	Designation
1.	Jiten Kishore Ajmera	Director
2.	Jasmin Kishore Ajmera	Director
3.	Jesal Manish Ajmera	Director

Shareholding Pattern of ARPL as on September 30, 2014

Name of the shareholders	Number of equity shares held	Percentage (%)

Name of the shareholders	Number of equity shares held	Percentage (%)
Our Promoters		
Jasmin Kishore Ajmera	11,30,000	20.00%
Sub – Total (A)	**11,30,000**	**20.00%**
Our Promoter Group (B)	**45,20,000**	**80.00%**
Total (A + B)	**56,50,000**	**100.00%**

Brief Audited Financials of ARPL

(₹ in lakhs)

Particulars	As at March 31		
	2014	2013	2012
Equity Share Capital	565.00	565.00	565.00
Reserves and Surplus (excluding revaluation reserve)	216.84	174.66	154.47
Net Worth(1)	780.90	737.56	716.22
Income including other income	129.82	96.43	438.71
Profit/ (Loss) after tax	42.18	20.19	32.39
Earnings per share (face value of ₹ 10 each)	0.75	0.36	0.57
Net asset value per share	13.82	13.05	12.68

(1) Networth calculated as: sum of Equity Share Capital, Reserves (excluding revaluation reserve), Share Application Money (if any) less Miscellaneous Expenses not written off (if any)
(2) NAV per share calculated as: sum of Equity Share Capital, Reserves (excluding revaluation reserve) less Miscellaneous Expenses not written off (if any) / No. of shares outstanding as on date

Other Disclosures:

The Equity Shares of ARPL are not listed on Stock Exchange.

ARPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up. Further, ARPL neither has a negative net-worth nor has made a loss in the immediately preceding year.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

IV. INTERNATIONAL FINANCIAL SERVICES LIMITED ("IFSL")

Incorporation	The Company was incorporated as International Financial Services Limited under the Companies Act 1956, on February 08, 2006 in the state of Maharashtra.
CIN	U67120MH2006PLC159604
Registered Office	3rd Floor, 22/A, Carmellos Building, Pathakwadi Road, Lohar Chawl, Kalbadevi Mumbai – 400 002
Nature of Business	The Company is a Non – Deposit taking NBFC registered with RBI and is engaged in the business of providing Personal Finance, Vehicle Finance, Housing Finance, Project Finance and other funding related activities and also offers to raise funds against collateral like shares, bonds, or any other asset.
Registrar of Companies	100, Everest, Marine Drive, Mumbai – 400 002

Board of Directors as on March 31, 2015

Sr. No	Name	Designation
1.	Nishita Alpesh Ajmera	Director
2.	Alpesh Kishore Ajmera	Director
3.	Dhruv Alpesh Ajmera	Director

Shareholding Pattern of IFSL as on September 30, 2014

Name of the shareholders	Number of equity shares held	Percentage (%)
Our Promoters		
Jasmin Kishore Ajmera	100	1.41%
Avani Jasmin Ajmera	2,80,100	1.06%
Harsh Jasmin Ajmera	75,000	1.29%
Jasmin K. Ajmera (HUF)	1,90,000	0.23%
Alpesh K. Ajmera (HUF)	2,87,500	0.33%
Sub – Total (A)	**8,32,700**	**27.85%**
Our Promoter Group (B)	**20,87,300**	**69.81%**
Other Public / Relatives (C)	**70,000**	**2.34%**
Total (A + B + C)	**29,90,000**	**100.00%**

Brief Audited Financials of IFSL

(₹ in lakhs)

Particulars	As at March 31		
	2014	**2013**	**2012**
Equity Share Capital	299.00	299.00	299.00
Reserves and Surplus (excluding revaluation reserve)	200.62	212.69	203.40
Net Worth(1)	499.62	511.69	502.40
Income including other income	56.11	59.91	87.17
Profit/ (Loss) after tax	(9.70)	9.29	27.96
Earnings per share (face value of ₹ 10 each)	(0.32)	0.31	0.94
Net asset value per share	16.71	17.11	16.80

(1) Networth calculated as: sum of Equity Share Capital, Reserves (excluding revaluation reserve), Share Application Money (if any) less Miscellaneous Expenses not written off (if any)

(2) NAV per share calculated as: sum of Equity Share Capital, Reserves (excluding revaluation reserve) less Miscellaneous Expenses not written off (if any) / No. of shares outstanding as on date

Other Disclosures:

The Equity Shares of IFSL are not listed on Stock Exchange.

IFSL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up. Further, IFSL does not have a negative net-worth in the immediately preceding year.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

V. RICHIE RICH RESORTS LIMITED ("RRRL")

Incorporation	The Company was incorporated as Richie Rich Resorts Limited under the Companies Act 1956, on March 27, 1996 in the state of Maharashtra.
CIN	U55100MH1996PLC098487
Registered Office	63/67, Carmellos Building, 4th Floor, Pathakwadi Road, Lohar Chawl, Kalbadevi Mumbai – 400 002
Nature of Business	The Company is engaged in the business of Hotels and Lodging Houses, Restaurants, Cafes, Clubs and Casinos.
Registrar of Companies	100, Everest, Marine Drive, Mumbai – 400 002

Board of Directors as on March 31, 2015

Sr. No	Name	Designation
1.	Jiten Kishore Ajmera	Director
2.	Avani Kishore Ajmera	Director

3.	Ashwini Jiten Ajmera	Director

Shareholding Pattern of RRRL as on September 30, 2014

Name of the shareholders	Number of equity shares held	Percentage (%)
Our Promoters		
Jasmin Kishore Ajmera	20,010	1.45%
Avani Jasmin Ajmera	35,000	2.54%
Harsh Jasmin Ajmera	20,000	1.45%
Jasmin K. Ajmera HUF	1,11,500	8.08%
Manish K. Ajmera HUF	1,17,500	8.52%
Sub – Total (A)	**3,04,010**	**22.04%**
Our Promoter Group (B)	**6,10,560**	**44.25%**
Other Public / Relatives (C)	**4,65,000**	**33.71%**
Total (A + B + C)	**13,79,570**	**100.00%**

Brief Audited Financials of RRRL

(₹ in lakhs)

Particulars	As at March 31		
	2014	**2013**	**2012**
Equity Share Capital	137.96	137.96	137.96
Reserves and Surplus (excluding revaluation reserve)	153.36	146.34	112.71
Net Worth(1)	291.32	284.30	250.67
Income including other income	41.83	64.81	188.32
Profit/ (Loss) after tax	7.02	33.62	9.95
Earnings per share (face value of ₹ 10 each)	0.51	2.44	0.72
Net asset value per share	21.12	20.61	18.17

(1) Networth calculated as: sum of Equity Share Capital, Reserves (excluding revaluation reserve), Share Application Money (if any) less Miscellaneous Expenses not written off (if any)
(2) NAV per share calculated as: sum of Equity Share Capital, Reserves (excluding revaluation reserve) less Miscellaneous Expenses not written off (if any) / No. of shares outstanding as on date

Other Disclosures:

The Equity Shares of RRRL are not listed on Stock Exchange.

RRPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up. Further, RRRL neither has a negative net-worth nor has made a loss in the immediately preceding year.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

In addition to the above, the following are the companies / firms / ventures promoted by our Promoters.

Other Unlisted Companies

Sr. No.	Name of the Group Entity & CIN	Date of Incorporation	Brief description of permitted business activities	Interest of our Promoters (Including Promoter Group)
1.	Ajmera Commodity and Derivatives Private Limited **CIN:** U51909MH2003PTC142678	October 15, 2003	Business of trading and acting as brokers, sub-brokers, market makers, arbitrageurs etc. in agricultural products, metals, petroleum and energy products and all other commodities and securities in the Spot as well as	78.59%

			Derivatives market for all commodities and securities.	
2.	Birya's Home Makers Private Limited **CIN:** U70101MH1993PTC071261	March 22, 1993	Business of constructing, improving, enlarging, altering and maintaining buildings and structures.	100.00%
3.	Essem Capital Markets Limited **CIN:** U99999MH1995PLC084393	January 06, 1995	Business of Merchant Banking subject to SEBI regulations and approvals, to lend money & negotiate loans and to undertake all kinds of financial operations.	60.10%
4.	Asteroid Realty Private Limited **CIN:** U70102MH2007PTC169444	March 30, 2007	To carry on the business of develop, builders, masonry and general co contractor and to equip the same or part thereof with all or any amenities or conveniences.	100.00%
5.	Graysound Real Estate Private Limited **CIN:** U45400MH2010PTC203767	June 7, 2010	Business of building, erecting, constructing, enlarging, altering and / or improving buildings, houses and apartments, residential, commercial, industrial or institutional including developing of Co-operative housing societies, townships, resorts, hotels.	50.00%
6.	Gokul Shopping Centre Premises Limited **CIN:** U45209MH2014PLC259486	November 19, 2014	To acquire land along with building standing thereon namely "Gokul Shopping Centre" and to carry business of managing, supervising, controlling and collecting various charges and maintenance for the said premises.	100.00%

NATURE AND EXTENT OF THE INTEREST OF THE GROUP COMPANIES IN OUR COMPANY

In the promotion of our Company

None of the Group Companies have any interest in the promotion of our Company.

In the properties acquired by our Company

None of the Group Companies have any interest in the properties acquired by our Company within the two years of the date of filing this Draft Prospectus or proposed to be acquired by our Company.

In transactions for acquisition of land, construction of building and supply of machinery

None of the Group Companies have any interest in our Company in relation to transactions for acquisition of land, construction of building and supply of machinery.

Payment of amount or benefits to our Group Companies during the last two years

Except as disclosed in the section *"Financial Information – Annexure XIX - Related Party Transactions"* beginning on page no. 183 of this Draft Prospectus, no amount or benefits were paid or were intended to be paid to our Group Companies since the incorporation of our Company.

Common pursuits between the Group Companies and our Company

None of our Group Companies are engaged in the same line of business or have any common pursuits as our Company.

Related business transactions within the Group Companies and its significance on the financial performance of our Company

For details, please refer the chapter titled "*Financial Statements- Annexure XIX - Related Party Transactions*" on page no. 183 of this Draft Prospectus.

Sale/purchase between Group Companies (exceeding 10% in aggregate of the total sales or purchases of our Company)

For details, please refer the chapter titled "*Financial Statements- Annexure XIX - Related Party Transactions*" on page no. 183 of this Draft Prospectus.

Business interest of Group Companies in our Company

For details, please refer the chapter titled "*Financial Statements- Annexure XIX - Related Party Transactions*" on page no. 183 of this Draft Prospectus.

Defunct Group Companies

None of the Group Companies are defunct and no application has been made to the registrar of companies for striking off the name of any of the Group Companies during the five years preceding the date of this Draft Prospectus.

Outstanding Litigations

For details relating to the material legal proceedings involving our Group Companies, please refer the chapter titled "*Outstanding Litigations and Material Developments*" on page no. 205 of this Draft Prospectus.

Other Confirmations

Our Group Companies have further confirmed that they have not been declared as wilful defaulters by the RBI or any other governmental authority and there have been no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them except as stated under chapters "*Risk Factors*", "*Our Group Companies*" and "*Outstanding Litigations and Material Developments*" on page nos. 9, 137 and 205 of this Draft Prospectus, respectively. Additionally, none of our Group Companies have been restrained from accessing the capital markets for any reasons by the SEBI or any other authorities except as stated under chapters "*Risk Factors*", "*Our Group Companies*" and "*Outstanding Litigations and Material Developments*" on page nos. 9, 137 and 205 of this Draft Prospectus, respectively.

CURRENCY OF PRESENTATION

In this Draft Prospectus, unless the context otherwise requires, all references to the word "Lakh" or "Lac", means "One hundred thousand" and the word "million" means "Ten lakhs" and the word "Crore" means "ten million" and the word "billion" means "One thousand million" and the word "trillion" means "One thousand billion". Throughout this Draft Prospectus, all the figures have been expressed in lakhs of Rupees, except when stated otherwise.

In this Draft Prospectus, all references to "Rupees" and "Rs." and "Indian Rupees" and '₹" are to the legal currency of the Republic of India; all references to "U.S. Dollars" and "US$" are to legal currency of the United States.

In this Draft Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

DIVIDEND POLICY

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting. The shareholders of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

There are no dividends declared by our Company since incorporation.

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

SECTION VI - FINANCIAL INFORMATION

FINANCIAL STATEMENT

REPORT OF THE INDEPENDENT AUDITORS ON CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors,
Ajmera Pharmasure Limited
63/67, Carmellos Building,
4th Floor, PathakWadi Road,
Mumbai – 400 002

Dear Sirs,

Re: Proposed Public Offer of Equity Shares of Ajmera Pharmasure Limited (APL)

We have examined the Financial Information of **AJMERA PHARMASURE LIMITED** [hereinafter referred to as '**the Company**'] contained in the statements annexed to this report, which have been approved by the Board of Directors, proposed to be included in the Draft Prospectus in connection with its proposed Initial Public Offer of Equity Shares at ₹ 10/- each at a premium of ₹ 75/- each (referred to as the "**Offer**") under the Fixed Price Issue Method.

In terms of the requirement of:

a. Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 (the "Act") read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules ('the Rules'), 2014;

b. The Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, issued by SEBI on August 26, 2009, in pursuance of Section 11 A (1) (a) of Securities and Exchange Board of India Act (SEBI), 1992, 'SEBI (ICDR) Regulations';

Financial Information as per audited financial Statements:

a. We have examined the accompanied 'Statement of Adjusted Profits and Losses' **(Annexure – II)** for the year ended on 31st March 2014 and 2015 and the 'Statement of Adjusted Assets and Liabilities' **(Annexure – I)** as on those dates, forming Part of the 'Financial Information' dealt with by this Report, detailed below. Both read together with the Significant Accounting Policies and Notes to Accounts **(Annexure – IV & V)** thereon, which are the responsibility of the Company's management. The information have been extracted from the consolidated financial statements for the financial year ended 31st March 2014 and 2015 audited by M/s. Rahul Jimulia & Associates, Chartered Accountant, being the Statutory Auditors of the Company for those years, and is re-audited by us for the financial year ended 31st March 2015, approved by the Board of Directors and adopted by the Members in those respective financial years. We did not carry out any validation tests or review procedures of financial statements for aforesaid financial year audited by M/s. Rahul Jimulia & Associates, Chartered Accountants and upon which we have placed our reliance while reporting.

b. Based on the above (a) and also as per the reliance made on the reports submitted by the statutory auditor of the company for the respective years, we report as under:-

   (i) The statement of Assets and Liabilities, and the Profits and Losses Account of the Company as at the end of the financial years ended on 31st March 2014 and 2015, reflects the assets and liabilities and profits and losses extracted from the consolidated Balance Sheets and Profit and Loss Accounts for the financial years ended 31st March 2014 and 2015 audited by M/s. Rahul Jimulia & Associates, Chartered Accountants being the Statutory auditors of the Company for those years, and is re-audited by us for the financial year ended 31st March 2015, after making such adjustments, regrouping and disclosures as were, in our opinion, appropriate and required to be made in accordance with Clause (b) of paragraph 6.10.2.7 of "the SEBI (ICDR) Regulations."

   (ii) In our opinion, read with the respective Significant Accounting Policies and subject to/read together with the notes thereon and after making such adjustments, regroupings and disclosures as were, in our opinion, appropriate and required, the financial information referred to above and the other Financial Information herein below, have been prepared in accordance with Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 (the "Act") read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules ('the Rules'), 2014 and the SEBI (ICDR) Regulations.

Other Financial Information:

We have also examined the following other financial information relating to the Company proposed to be included in the Draft Prospectus, and annexed to this report:

i) Statement of the Standalone Cash Flow of the Company (Annexure – III)
ii) Statement of Fixed Assets (Annexure – VI)
iii) Schedule of Long-Term Investments (Annexure – VII)
iv) Schedule of Inventories (Annexure – VIII)
v) Statement of Trade Receivables and Loans & Advances (Annexure – IX & X)
vi) Statement of Current Assets (Annexure XI)
vii) Details of Long Term & Short Term Borrowings of the Company (Annexure – XII & XIII)
viii) Statement of Trade Payables (Annexure – XIV)
ix) Schedule of Other Liabilities (Annexure – XV)
x) Schedule of Short Term Provisions (Annexure –XVI)
xi) Schedule of Revenue from Operations (Annexure – XVII)
xii) Schedule of Other Income (Annexure – XVIII)
xiii) Schedule of Related Party Transactions (Annexure – XIX)
xiv) Capitalization Statement (Annexure – XX)
xv) Schedule of Contingent Liability (Annexure – XXI)
xvi) Schedule of Dividend Paid (Annexure – XXII)
xvii) Summary of Accounting Ratios (Annexure – XXIII)

This report should not in any way be construed to be a re-issuance or re-dating of any of the previous audit reports issued by the other firm of Chartered Accountants, nor should it be construed to be a new opinion on any of the financial statements referred to herein.

Our this report, is being provided solely for the use of Ajmera Pharmasure Limited, for the purpose of its inclusion in the said Draft Prospectus in connection with the proposed Initial Public Offer of the Equity Shares of the Company.

For M/s. V. N. Purohit & Co.,
Chartered Accountants
(Firm Registration No. 304040E)

O. P. Pareek
Partner
Membership No: 014238

Place: Mumbai
Date: September 29, 2015

Annexure I
STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	As on March 31, 2015	As on March 31, 2014
EQUITY AND LIABILITIES		
Shareholder's Funds		
a) Share Capital	50.30	50.30
b) Reserves and surplus	1,098.47	1,010.56
	1,148.77	**1,060.86**
Minority Interest	**17.91**	**18.72**
Non-Current Liabilities		
a) Long Term borrowings	138.66	182.01
b) Deferred Tax Liabilities (Net)	0.00	1.47
c) Other Long Term liabilities	0.00	0.00
	138.66	**183.48**
Current Liabilities		
a) Short-Term Borrowings	747.77	995.97
b) Trade Payables	144.00	97.25
c) Other Current Liabilities	9.89	23.65
d) Short-Term Provisions	151.58	115.77
	1,053.24	**1,232.64**
TOTAL	**2,358.58**	**2,495.70**
ASSETS		
Non - Current Assets		
a) Fixed Assets		
i.) Tangible Assets	154.34	109.26
ii.) Intangible Assets	22.50	22.50
b) Non Current (Long -term) Investments	17.65	17.65
c) Deferred Tax	3.95	0.00
d) Long-Term Loans and Advances	327.96	431.86
e) Other Non-Current Assets	0.00	0.00
	526.40	**581.27**
Current Assets		
a) Inventories	578.76	497.73
b) Trade Receivables	741.21	1,187.78
c) Cash and Cash equivalents	(23.15)	65.40
d) Short-Term Loans and Advances	517.76	128.84
e) Other Current Assets	17.61	34.67
	1,832.19	**1,914.42**
TOTAL	**2,358.58**	**2,495.70**

Annexure II
STATEMENT OF CONSOLIDATED PROFIT AND LOSS ACCOUNT, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
REVENUE:		
Revenue from Operations	3,730.54	5,079.73
Other Income	146.65	160.79
Total revenue	**3,877.19**	**5,240.52**
EXPENSES:		
Cost of materials consumed	3,329.51	4,429.45
Changes in inventories of finished goods , work -in - progress and stock - in trade	(81.03)	(20.18)
Employee benefits expense	96.27	62.00
Finance cost	112.48	91.10
Depreciation and amortization expense	34.15	14.68
Other expenses	255.36	363.64
Total expenses	**3,746.74**	**4,940.69**
Net Profit / (Loss) before Tax	**130.45**	**299.83**
Less: Provision for Tax		
Current tax as per income tax	48.78	102.28
Deferred tax	(5.43)	(1.03)
Total	**43.35**	**101.25**
Net Profit / (Loss) for the period after tax but before extra ordinary items	**87.10**	**198.58**
Extraordinary Items	0.00	0.00
Net Profit / (Loss) for the Period	**87.10**	**198.58**

Annexure III
CONSOLIDATED CASH FLOW STATEMENT, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Cash Flow From Operating Activities		
Net Profit Before Tax	**130.45**	**299.83**
Adjustments for :		
Depreciation/Amortisation	34.15	14.68
Interest Received	(74.50)	(104.40)
Interest Paid	112.48	91.10
Operating Profit Before Working Capital Adjustment	**202.58**	**301.21**
Adjustment for Changes in Working Capital		
Trade and other payable	46.75	(12.24)
Inventories	(81.03)	(153.20)
Trade and other Receivables	446.57	(596.98)
Short Term Loans & Advances	(266.46)	89.89
Other Current Assets	(83.55)	(26.68)
Other Short Term Provision	12.42	8.98
Other Current Liabilities	(13.76)	(7.73)
Cash Flow Generated from Operations	**263.52**	**(396.75)**
Income Tax Paid	25.39	178.24
Net Cash flow from Operating activities (A)	**238.13**	**(574.99)**
Cash Flow From Investing Activities		
(Addition)/Reduction of Fixed Assets (including WIP)	(79.20)	(65.19)
(Addition) / Reduction of Investments	0.00	0.79
Other Non-Current Assets	0.00	0.00
Long Term Loans & Advances	82.05	331.93
Other Long Term Liabilities	0.00	0.00
Interest Received	74.50	104.40
Net Cash Flow from Investing Activities (B)	**77.35**	**371.93**
Cash Flow From Financing Activities		
Proceeds from/ (Repayment of) Borrowing	(291.55)	284.98
Proceeds from Share Capital (including Share Premium)	0.00	0.00
Interest Paid	(112.48)	(91.10)
Net Cash Flow From Financing Activities (C)	**(404.03)**	**193.88**
Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	**(88.55)**	**(9.18)**
Cash & Cash equivalent at the beginning of the year	65.40	74.58
Cash & Cash Equivalent at the end of the year	**(23.15)**	**65.40**

Annexure IV

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

a. Financial statements have been prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles and the provisions of the Companies Act, 2013.

b. The Company follows the mercantile system of accounting on a going concern basis.

c. The names of the Companies which are included in consolidation and the Parent Company's holding therein:

Name of the Company	Percentage of Holding	
	For year ended March 31, 2015	For year ended March 31, 2014
Ajmera Organics Pvt. Ltd.	75.00%	75.00%

d. The Consolidated Financial statements of the Company and its subsidiary companies have been consolidated on a line-to-line basis by adding together the book value of like items, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits / losses

e. Minority interest's share of the net profit / (loss) for the period / year of consolidated subsidiaries is identified and adjusted against the profit of the group.

f. Minority Interest in the net assets of consolidated subsidiaries consist of:
   a. The amount of equity attributable to minority at the date on which the investment in a subsidiary is made; and
   b. The minority share of movements in equity since the date parent subsidiary relationship came into existence.

B. Use of Estimates

The presentation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure relating to contingent assets and liabilities as at the date of financial statements are reported amounts of incomes and expenses during the period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the period in which the results are known / materialized.

C. Fixed Assets, including Intangible Assets and Capital Work in Progress

a) Fixed Assets are stated at cost, net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

b) Intangible Assets, if any, are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortization and impairment losses, if any.

D. Depreciation and Amortization

Depreciation on fixed assets is provided to the extent of depreciation amount on written down value methods (WDV) at the rates and in the manner prescribed under the Schedule XIV to the Companies Act, 1956 over the useful life on a pro-rata basis. Due to change in law, from April, 2014 Depreciation has been provided in the manner as prescribed under the Schedule II to the Companies Act, 2013.

E. Revenue Recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection.

a) Revenue from operations includes trading of goods. Income from other sources includes, dividends, interest, discounts, drawbacks, rebates, commission, profit / loss of shares and assets, etc.

b) Revenue from services is recognized on rendering of goods to customer, Dividend income is recognized when received and Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

F. Government Grants and Subsidies

Grants and subsidies from government, if any, are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and that the grant/subsidy will be received.

G. Inventories

a) Raw materials are generally valued at cost determined on specific cost basis.

b) Process stock, if any, is valued at direct cost.

c) Appropriate reduction is made for slow moving and obsolete stock.

d) Finished goods are valued at cost or net realisable value whichever is lower.

H. Foreign Currency Transactions

a) Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transaction or that approximates the actual rate at the date of the transaction.

b) Monetary items denominated in foreign currencies at the year-end are translated at the exchange rates prevailing on the date of the balance sheet.

c) Any income or expense on account of exchange difference whether on settlement or on translation of transactions other than those in relation to fixed assets is recognized in the statement of profit and loss as Other Income.

I. Cash and cash equivalent

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

J. Investment

Investments are classified into long-term investments and short-term investments. Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Long Term Investments & Short Term Investments, if any, are carried at cost. No provisions for diminution in the Long Term Investment are made and the same will be made only at the time of its disposal.

K. Impairment of Assets

The carrying amount of assets is reviewed at each Balance Sheet date to determine if there is any indication of impairment thereof based on external/ internal factors. An impairment loss in accordance with Accounting Standard-28 "Impairment of Assets " is recognized wherever the carrying amount of an assets exceeds its recoverable amount, which represent the greater of the net selling price of assets and their value in use.

L. Retirement and other Employee Benefits

Short-term employee benefits are recognized as expenses at the undiscounted amount in the profit and loss account for the year in which the employee has rendered services. The expenses are recognized at the present value.

M. Segment Reporting

The company operates only in one reportable business segment i.e. trading of pharmaceutical & chemical goods. Hence there are no reportable segments under Accounting Standard -17. No separate geographical disclosures are required.

N. Borrowing cost

Borrowing costs include Bank charges, Bank Guarantee Commission and Loan Processing charges.

O. Taxation

a) Income Tax is accounted for in accordance with Accounting Standards on 'Accounting for taxes on Income' notified under the Companies (Accounting Standards) Rules, 2006.

b) Minimum Alternate Tax (MAT) is accounted for in accordance with tax laws which give rise to future economic benefits in the form of tax credit against which future tax liability will be adjusted and hence is recognized as an asset in the Balance Sheet.

c) Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realize such assets. Deferred tax assets are recognized for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisation.

P. Provisions, Contingent Liabilities and Contingent Assets:

a) Provision is recognized when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

b) A disclosure on contingent liability is made when there is a possible obligation or present obligation that probably will not require an out flow of resources or where reliable estimate of the amount of the obligation cannot be made. However contingent assets are neither provided for nor disclosed.

Q. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period.

R. There are no Auditor’s Qualifications in the Financial Statements of the Company.

Annexure V
NOTES TO ACCOUNTS

1. Managerial Remuneration

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Whole Time Directors Remuneration		
Salaries and Allowances	26.40	24.80
Other Fees	0.00	0.00
Sitting Fees	0.00	0.00
Non Whole Time Directors Remuneration		
Sitting Fees	0.00	0.00

2. Deferred Tax

Deferred Tax liability on account of timing difference between taxable income and accounting income for the year is accounted for by applying the tax rates and laws enacted or substantially enacted as of the balance sheet date. Deferred Tax Assets are recognized only to the extent of virtual certainty of its realization or adjustment against deferred tax liability.

The company has accounted for Income Tax in compliance with the accounting standards relating "Accounting' for Taxes on Income" (AS-22) issued by the Institute of Chartered Accountants of India.

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Deferred tax (liabilities)		
Timing difference in Depreciation	1.47	2.50
Add: during the year	0.00	0.00
Total (a)	1.47	2.50
Deferred tax (assets)		
Timing difference in Depreciation	0.00	0.00
Add: during the year	5.42	1.03
Total (b)	5.42	1.03
TOTAL (a+b)	**3.95 (A)**	**1.47 (L)**

3. Remuneration to Statutory Auditors:

(₹in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
As Auditor	0.62	0.40
For Taxation Matters	0.10	0.10
Other Matters	0.05	0.10
Total	**0.77**	**0.60**

4. The Company has not received any intimation from suppliers regarding their status under micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, in relation to amount unpaid as at the yearend together with interest payable as required under the said Act have not been furnished.

5. The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required.

6. Accounting for taxes on income

Provision for current tax is made based on the tax payable under the current provisions of the tax laws applicable in the jurisdiction where the income is assessable.

7. **Contingent Liability**

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprises, or is a possible obligation that arises from past events but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made.

8. **Earnings Per share**

Basic & Diluted Earnings per Share is calculated on Weighted Average number of Equity shares during the year.

9. Previous year figures have been re-grouped and reclassified wherever necessary to confirm to the current year classification.

10. **Information regarding Foreign Exchange earnings and expenditure**:

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Earning in Foreign Exchange	130.28	859.28
Expenditure in Foreign Exchange	12.73	200.96

ADJUSTMENTS MADE IN RESTATED FINANCIAL STATEMENTS / REGROUPING NOTES

Regrouping done in Profit & Loss Account that affect the Net Profit after Tax

F. Y. 2013-14

Provision for tax was not shown in the P&L A/c in Audited Financials for the F.Y. ending 2013-14. Instead the Provision amount was deducted from MAT Credit Entitlement (asset side). In the Restated Financials, the provision amount has been made in the respective years in P&L A/c. Correspondingly the provision has been adjusted in the Short Term Loans & Advances under the relevant MAT balance.

Short Provision for Tax amounting to M 9.38 lakhs pertaining to previous year shown in the Consolidated Audited Financials for the F.Y. ended 2013-14 has been added to the Provision for Tax in its respective year i.e. F.Y. ended 2012-13 (Since no consolidated financial were prepared in F.Y. 2012-13, the same has been adjusted in the Reserves & Surplus for that year)

F. Y. 2014-15

Short Provision for Tax amounting to M 3.33 lakhs pertaining to previous year shown in the Consolidated Audited Financials for the F.Y. ended 2014-15 has been added to the Provision for Tax in its respective year i.e. F.Y. ended 2013-14.

The above mentioned changes to Profit after Tax are summarised in the table below:

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Profit after Tax as per Audited Financials	83.77	290.53
Changes made in Restated Financials		
Provision for Tax earlier included in MAT Credit	0.00	(98.01)
Short Provision for Tax	0.00	(3.32)
Short Provision for Tax (earlier years)	3.33	9.38
Profit after Tax as per Restated Financials	**87.10**	**198.58**

Other Regrouping done in Balance Sheet

F. Y. 2014-15

The negative balance of Cash & Cash Equivalents is due to cheques overdrawn as on March 31, 2015 and the same is subject to reconciliation

Multiple Years

Amount of Cash Credit loan from Union Bank of India (UBI), shown as negative cash balance in the Consolidated Audited Financials of F.Y. ended 2014 and 2015 and the same has been shown under Short Term Borrowings in their respective years in the Restated Financials.

Amount of Dropline Overdraft (Business Loan) from HDFC Bank, shown as negative cash balance in the Consolidated Audited Financials of F.Y. ended 2014 and 2015 and the same has been shown under Short Term Borrowings in their respective years in the Restated Financials.

Annexure VI
STATEMENT OF FIXED ASSETS, AS RESTATED

(₹ in lakhs)

Particulars	Financial Year Ended March 31,	
	2015	2014
TANGIBLE ASSETS		
Factory Building		
Opening Balance	29.86	29.86
Addition during the year	1.16	0.00
Reduction during the year	0.00	0.00
Accumulated Depreciation	16.12	14.19
Closing Balance	**14.90**	**15.67**
Factory Shed		
Opening Balance	26.38	26.38
Addition during the year	1.48	0.00
Reduction during the year	0.00	0.00
Accumulated Depreciation	0.00	0.00
Closing Balance	**27.86**	**26.38**
Office Equipments		
Opening Balance	4.61	4.61
Addition during the year	0.10	0.00
Reduction during the year	0.00	0.00
Accumulated Depreciation	4.29	2.70
Closing Balance	**0.42**	**1.91**
Computers		
Opening Balance	3.61	3.36
Addition during the year	0.28	0.25
Reduction during the year	0.00	0.00
Accumulated Depreciation	3.61	2.90
Closing Balance	**0.28**	**0.71**
Electrical Fittings & Equipments		
Opening Balance	4.96	4.75
Addition during the year	2.18	0.21
Reduction during the year	0.00	0.00
Accumulated Depreciation	4.23	3.77
Closing Balance	**2.91**	**1.19**
Generator		
Opening Balance	9.24	9.24

Addition during the year	0.00	0.00
Reduction during the year	0.00	0.00
Accumulated Depreciation	4.91	3.72
Closing Balance	**4.33**	**5.52**
Plant & Machinery		
Opening Balance	58.31	54.90
Addition during the year	26.40	3.41
Reduction during the year	0.00	0.00
Accumulated Depreciation	40.98	34.37
Closing Balance	**43.73**	**23.94**
Vehicles		
Opening Balance	38.23	38.23
Addition during the year	47.61	0.00
Reduction during the year	0.00	0.00
Accumulated Depreciation	42.87	23.48
Closing Balance	**42.97**	**14.75**
Furniture		
Opening Balance	5.03	5.03
Addition during the year	0.00	0.00
Reduction during the year	0.00	0.00
Accumulated Depreciation	3.64	2.97
Closing Balance	**1.39**	**2.06**
Office Premises		
Opening Balance	0.25	0.25
Addition during the year	0.00	0.00
Reduction during the year	0.00	0.00
Accumulated Depreciation	0.00	0.00
Closing Balance	**0.25**	**0.25**
Bhiwandi Godown (Bldg)		
Opening Balance	25.44	25.44
Addition during the year	0.00	0.00
Reduction during the year	0.00	0.00
Accumulated Depreciation	10.15	8.57
Closing Balance	**15.29**	**16.87**
Total Accumulated Depreciation	**130.80**	**96.67**
Net Block	**154.34**	**109.26**
INTANGIBLE ASSETS		
Goodwill		
Opening Balance	22.50	0.00
Addition during the year	0.00	22.50
Reduction during the year	0.00	0.00
Accumulated Depreciation	0.00	0.00
Closing Balance	**22.50**	**22.50**
TOTAL FIXED ASSETS	**176.84**	**131.76**

Annexure VII
STATEMENT OF LONG-TERM INVESTMENTS, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Investment in Quoted Equity Shares		
Aadhaar Ventures India Ltd. (formerly Praneta Industries Ltd.)	8.90	8.90
Silverline Animation (fully paid 400 shares)	0.04	0.04
Enzyme Pharma	0.02	0.02
IFCI (fully paid 5000 shares)	1.61	1.61
Jaysynth Dye Chem (fully paid 5000 shares)	1.13	1.13
Investment in Un-Quoted Equity Shares		
The Greater Bombay Co-operative Bank Ltd.	0.95	0.95
Richie Rich Resorts Limited	5.00	5.00
Total	**17.65**	**17.65**

Annexure VIII
STATEMENT OF INVENTORIES, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Raw Materials	20.68	35.89
Work in Progress	85.39	32.02
Finished Goods	472.69	429.82
Total	**578.76**	**497.73**

Annexure IX
STATEMENT OF TRADE RECEIVABLES, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Outstanding for a period exceeding six months		
Considered Good		
From Promoter / Promoter Group	0.00	0.00
From Others	104.58	22.42
Sub - Total (A)	**104.58**	**22.42**
Outstanding for a period not exceeding six months		
Considered Good		
From Promoter / Promoter Group	0.00	0.00
From Others	636.63	1,165.36
Sub - Total (B)	**636.63**	**1,165.36**
Total (A+B)	**741.21**	**1,187.78**

Annexure X
STATEMENT OF LOANS AND ADVANCES, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Long Term Loans & Advances		
Advance to Suppliers	0.00	82.05
Other Loans and Advances	300.00	300.00
MAT Credit Receivable	27.96	49.81
TOTAL	**327.96**	**431.86**
Short Term Loans & Advances		

Advance Tax	100.61	0.00
TDS Receivable	30.32	78.18
Other Loans and Advances	71.83	39.84
Balance with Revenue Authorities	4.92	10.82
IOL Chemicals & Pharma Pvt. Ltd.	310.08	0.00
TOTAL	**517.76**	**128.84**

Annexure XI
STATEMENT OF CURRENT ASSETS, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Deposits	0.16	0.15
Duty Drawback & Rebates Receivable	6.52	24.18
Interest Receivable	5.40	5.40
Prepaid Expense	3.60	3.01
Preliminary expenses not W/o	0.66	0.66
Other Receivables	1.27	1.27
TOTAL	**17.61**	**34.67**

Annexure XII
STATEMENT OF LONG TERM BORROWINGS, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Secured Loans		
ICICI Car Loan	0.59	2.91
Daimler Financial Car Loan	34.28	0.00
Unsecured Loans		
Loan From Related Parties	47.50	82.32
Loan From Others	56.29	96.78
Total (A)	**138.66**	**182.01**

Annexure XIII
STATEMENT OF SHORT TERM BORROWINGS, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Secured Loans		
Cash Credit loan from UBI	523.81	640.89
Business Loan from HDFC	223.96	(13.61)
Unsecured Loans		
Loans from Banks & FIs	0.00	0.99
Loans from Related Parties	0.00	367.70
Total	**747.77**	**995.97**

The above amounts in Annexure XI and XII include:

(₹ in lakhs)

Secured Borrowings	782.64	630.19
Unsecured Borrowings	103.79	547.79
Total	**886.43**	**1,177.98**

Annexure XIV
STATEMENT OF TRADE PAYABLES, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Sundry Creditors	144.00	97.25
Total	**144.00**	**97.25**

Annexure XV
STATEMENT OF OTHER LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Other Non-Current Liabilities		
Non – Current Liabilities	0.00	0.00
Total	**0.00**	**0.00**
Other Current Liabilities		
Outstanding Expenses	7.51	9.63
Provision for Audit Fees	0.57	0.30
Statutory Liabilities	1.81	13.72
Total	**9.89**	**23.65**

Annexure XVI
STATEMENT OF SHORT TERM PROVISIONS, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Provision for taxation	130.18	106.79
Other Provisions	21.40	8.98
Total	**151.58**	**115.77**

Annexure XVII
STATEMENT OF REVENUE FROM OPERATIONS, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Revenue from Manufactured Goods	395.38	373.88
Revenue from Traded Goods	3,331.89	4,670.97
Other Operating Revenue	3.27	34.88
Total	**3,730.54**	**5,079.73**

Annexure XVIII
STATEMENT OF OTHER INCOME, AS RESTATED

(₹ in Lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Recurring Other Income		
Interest Received	74.50	104.40
Discounts Received	29.82	0.20
Commission & Miscellaneous Income	24.90	22.13
Dividend Received	0.00	0.00
Foreign Exchange Diff	(1.43)	(1.78)
Non – Recurring Other Income		
Bad debts Recovery	14.00	12.00
Rebates & Duty Received	4.86	25.16
Profit / loss on sale of Investment (Net)	0.00	(1.32)
Total	**146.65**	**160.79**

Annexure XIX
STATEMENT OF RELATED PARTY TRANSACTIONS, AS RESTATED

As per Accounting Standard 18 on related party disclosures issued by the Institute of Chartered Accountants of India, the Company's related parties are disclosed below:

(i) Key Managerial Personnel & Relatives

For the year ended March 31, 2015	For the year ended March 31, 2014
Jasmin Ajmera	Jasmin Ajmera
Manish Ajmera	Manish Ajmera
-	Jiten Ajmera
-	Alpesh Ajmera

(ii) Relatives of KMPs

For the year ended March 31, 2015	For the year ended March 31, 2014
Alpesh Ajmera	M. H. Ajmera
Jiten Ajmera	Jesal Ajmera
M. H. Ajmera	-
Jesal Ajmera	-

(iii) Associates / Enterprises over which directors and / or their relatives has significant influence

For the year ended March 31, 2015	For the year ended March 31, 2014
Ajmera Associates Ltd.	Ajmera Associates Ltd.

(iv) Particulars of Transactions with Related Parties

Key Management Personnel & Relatives

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
1) Finance		
Investment in Equity	0.00	0.00
2) Expenses		
Remuneration	19.20	19.40
Rent	0.11	0.43
3) Out standing		
Receivables	0.00	339.70
Payables	0.00	0.00

Relatives of KMPs

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
1) Finance		
Investment in Equity	0.00	0.00
2) Expenses		
Remuneration	0.00	0.00
Rent	0.00	0.00
2) Out standing		
Receivables	0.00	28.00
Payables	0.00	4.00

Associates / Enterprises over which directors and / or their relatives has significant influence

(₹ in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
1) Purchase & Sales		
Goods & Materials	0.00	0.00
2) Finance		
Investment	0.00	0.00
3) Out standing		
Receivables	0.00	0.00
Payables	0.00	0.04

Annexure XX
STATEMENT OF CAPITALIZATION

(₹ in lakhs)

Particular	Pre – Offer (as at March 31, 2015)	Post – Offer
Debt		
Long Term Debt	138.66	138.66
Short Term Debt	747.77	747.77
Total Debts (A)	**886.43**	**886.43**
Equity (Shareholder's funds)		
Equity share capital	50.30	553.30
Reserve and Surplus	1,098.47	1,048.17
Total Equity (B)	**1,148.77**	**1,601.47**
Long Term Debt / Equity Shareholder's funds	**0.12 : 1**	**0.09 : 1**
Total Debts / Equity Shareholder's funds	**0.77 : 1**	**0.55 : 1**

Note:
1. The above has been computed on the basis of Restated Financials of the Company.

Annexure XXI
STATEMENT OF CONTINGENT LIABILITIES, AS RESTATED

(₹ in lakhs)

Particular	For the year ended March 31, 2015	For the year ended March 31, 2014
Contingent Liabilities	0.00	0.00
Total		

Annexure XXII
STATEMENT OF DIVIDEND DECLARED, AS RESTATED

(₹ in lakhs)

Particular	For the year ended March 31, 2015	For the year ended March 31, 2014
On Equity Shares		
Fully Paid up Share Capital	50.30	50.30
Face Value (₹)[1]	10.00	10.00
Paid up Value per Share (₹)[1]	10.00	10.00
Rate of Dividend	0.00%	0.00%
Dividend Amount	0.00	0.00
Corporate dividend tax on above @ 16.995%	0.00	0.00

[1] The Face Value of the Equity Shares for the year March 31, 2015 and 2014 was ₹ 100/-. However, for comparison purposes, the same has been considered as face value of ₹ 10/- per Equity Share.

Annexure XXIII
STATEMENT OF ACCOUNTING RATIOS, AS RESTATED

(₹ in Lakhs)

Particular	For the year ended March 31, 2015	For the year ended March 31, 2014
Restated PAT as per P & L Account	87.10	198.58
Actual Number of Equity Shares outstanding at the end of the year	503,000	503,000
Equivalent Weighted Average number of Equity Shares at the end of the year[3]	5,533,000	5,533,000
Net Worth[1]	1,148.11	1,060.20
Earnings Per Share:		
Basic & Diluted[2]	1.57	3.59
Return on Net Worth (%)	7.59%	18.73%
Net Asset Value Per Share ₹.) - based on actual no. of equity shares at the end of the year	228.25	210.78
Nominal Value per Equity share (₹)[3]	10.00	10.00

[1] There is no revaluation reserve in last five years of the Company. Net Worth is Equity Share Capital + Reserves and Surplus – Preliminary expenses not written off.
[2] As there is no dilutive capital in the company, Basic and Diluted EPS are same.
[3] The Face Value of the Equity Shares for the year March 31, 2015 and 2014 was ₹ 100/-. However, for comparison purposes, the same has been considered as face value of ₹ 10/- per Equity Share and No. of Shares are accordingly adjusted.

Notes to Accounting Ratios:

a. The above statement should be read with the Significant accounting policies and notes to accounts appearing in Annexure IV & V respectively.

b. Formulas used for calculating above ratios are as under:

   i. Basic EPS is being calculated by using the formula: Net Profit after excluding Extra-ordinary items / Weighted Average No. of outstanding shares.
   ii. Net Asset Value is being calculated by using the formula: (Equity Share Capital + Reserves and Surplus – Preliminary Expenses not written off)/Number of Equity Shares at year end.
   i. Return on Net worth is being calculated by using the formula: Profit After Tax/(Equity Share Capital +Reserves and Surplus – Preliminary Expenses not written off).

CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS

There has been no change in the Accounting Policies in the last three (3) years.

CHANGE IN ACCOUNTING PERIOD

There has been no change in the accounting period of the Company.

SALE OR PURCHASE BETWEEN OUR COMPANY AND GROUP COMPANIES

There have been no transactions of sale or purchase during the FY 2014 – 2015 between our Company and the Group Companies exceeding 10% of our total sale or purchases.

REPORT OF THE INDEPENDENT AUDITORS ON STANDALONE FINANCIAL STATEMENTS

The Board of Directors,
Ajmera Pharmasure Limited
63/67, Carmellos Building,
4th Floor, PathakWadi Road,
Mumbai – 400 002

Dear Sirs,

Re: Proposed Public Offer of Equity Shares of Ajmera Pharmasure Limited (APL)

We have examined the Financial Information of **AJMERA PHARMASURE LIMITED** [hereinafter referred to as '**the Company**'] contained in the statements annexed to this report, which have been approved by the Board of Directors, proposed to be included in the Draft Prospectus in connection with its proposed Initial Public Offer of Equity Shares at ₹ 10/- each at a premium of ₹ 75/- each (referred to as the "**Offer**") under the Fixed Price Issue Method.

In terms of the requirement of:

c. Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 (the "Act") read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules ('the Rules'), 2014;

d. The Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, issued by SEBI on August 26, 2009, in pursuance of Section 11 A (1) (a) of Securities and Exchange Board of India Act (SEBI), 1992, 'SEBI (ICDR) Regulations';

Financial Information as per audited financial Statements:

c. We have examined the accompanied 'Statement of Adjusted Profits and Losses' **(Annexure – II)** for the years ended on 31st March 2011, 2012, 2013, 2014 and 2015 and the 'Statement of Adjusted Assets and Liabilities' **(Annexure – I)** as on those dates, forming Part of the 'Financial Information' dealt with by this Report, detailed below. Both read together with the Significant Accounting Policies and Notes to Accounts **(Annexure – IV & V)** thereon, which are the responsibility of the Company's management. The information have been extracted from the standalone financial statements for the financial year ended 31st March 2011 audited by M/s D. D. Jimulia & Co., Chartered Accountant, 31st March 2012 audited by M/s Rakesh R Agarwal & Associates, Chartered Accountant, and 31st March 2013, 2014 and 2015 audited by M/s Rahul Jimulia & Associates, Chartered Accountant, being the Statutory Auditors of the Company for the respective years and is re-audited by us for the financial year ended 31st March 2015, approved by the Board of Directors and adopted by the Members in those respective financial years. We did not carry out any validation tests or review procedures of financial statements for aforesaid financial year audited by M/s D. D. Jimulia & Co., Chartered Accountants, M/s Rakesh R Agarwal & Associates, Chartered Accountants and M/s Rahul Jimulia & Associates, Chartered Accountants and upon which we have placed our reliance while reporting.

d. Based on the above (a) and also as per the reliance made on the reports submitted by the statutory auditor of the company for the respective years, we report as under:-

(iii) The statement of Assets and Liabilities, and the Profits and Losses Account of the Company as at the end of each of the five financial years ended on 31st March 2011, 2012, 2013, 2014 and 2015, reflect the assets and liabilities and profits and losses extracted from the Standalone Balance Sheets and Profit and Loss Accounts for the financial years ended 31st March 2011 audited by M/s D. D. Jimulia & Co., Chartered Accountant, 31st March 2012 audited by M/s Rakesh R Agarwal & Associates, Chartered Accountant, and 31st March 2013, 2014 and 2015 audited by M/s Rahul Jimulia & Associates, Chartered Accountant, being the Statutory Auditors of the Company for the respective years, and is re-audited by us for the financial year ended 31st March 2015, after making such adjustments, regrouping and disclosures as were, in our opinion, appropriate and required to be made in accordance with Clause (b) of paragraph 6.10.2.7 of "the SEBI (ICDR) Regulations."

(iv) In our opinion, read with the respective Significant Accounting Policies and subject to/read together with the notes thereon and after making such adjustments, regroupings and disclosures as were, in our opinion, appropriate and required, the financial information referred to above and the other Financial Information herein below, have been prepared in accordance with Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 (the “Act”) read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules (‘the Rules’), 2014 and the SEBI (ICDR) Regulations.

Other Financial Information:

We have also examined the following other financial information relating to the Company proposed to be included in the Draft Prospectus, and annexed to this report:

xviii) Statement of the Standalone Cash Flow of the Company (Annexure – III)
xix) Schedule of Investments (Annexure VI)
xx) Schedule of Long-Term Investments (Annexure – VII)
xxi) Schedule of Inventories (Annexure – VIII)
xxii) Statement of Trade Receivables and Loans & Advances (Annexure – IX & X)
xxiii) Statement of Current Assets (Annexure XI)
xxiv) Details of Long Term & Short Term Borrowings of the Company (Annexure – XII & XIII)
xxv) Statement of Trade Payables (Annexure – XIV)
xxvi) Schedule of Other Liabilities (Annexure – XV)
xxvii) Schedule of Short Term Provisions (Annexure –XVI)
xxviii) Schedule of Revenue from Operations (Annexure – XVII)
xxix) Schedule of Other Income (Annexure – XVIII)
xxx) Schedule of Related Party Transactions (Annexure – XIX)
xxxi) Capitalization Statement (Annexure – XX)
xxxii) Schedule of Contingent Liability (Annexure – XXI)
xxxiii) Schedule of Dividend Paid (Annexure – XXII)
xxxiv) Summary of Accounting Ratios (Annexure – XXIII)
xxxv) Statement of Tax Shelter (Annexure – XXIV)

This report should not in any way be construed to be a re-issuance or re-dating of any of the previous audit reports issued by the other firm of Chartered Accountants, nor should it be construed to be a new opinion on any of the financial statements referred to herein.

Our this report, is being provided solely for the use of Ajmera Pharmasure Limited, for the purpose of its inclusion in the said Draft Prospectus in connection with the proposed Initial Public Offer of the Equity Shares of the Company.

For M/s. V. N. Purohit & Co.,
Chartered Accountants
(Firm Registration No. 304040E)

O. P. Pareek
Partner
Membership No: 014238

Place: Mumbai
Date: September 29, 2015

Annexure I

STATEMENT OF STANDALONE ASSETS AND LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	As on March 31,				
	2015	**2014**	**2013**	**2012**	**2011**
EQUITY AND LIABILITIES					
Shareholder's Funds					
a) Share Capital	50.30	50.30	50.30	50.30	50.30
b) Reserves and surplus	1,089.74	1,002.71	802.32	663.90	601.00
	1,140.04	**1,053.01**	**852.62**	**714.20**	**651.30**
Non-current Liabilities					
a) Long Term borrowings	34.87	2.95	5.03	0.30	(0.02)
b) Deferred Tax Liabilities (Net)	0.00	0.00	0.00	0.17	0.17
c) Other Long Term liabilities	0.00	0.00	0.00	0.00	0.00
	34.87	**2.95**	**5.03**	**0.47**	**0.15**
Current Liabilities					
a) Short-Term Borrowings	747.77	994.98	887.97	256.06	403.63
b) Trade Payables	56.15	28.05	109.49	(88.96)	(86.36)
c) Other Current Liabilities	9.32	21.91	31.08	14.82	17.00
d) Short-Term Provisions	124.06	97.75	182.88	136.92	126.02
	937.30	**1,142.69**	**1,211.42**	**318.84**	**460.28**
TOTAL	**2,112.21**	**2,198.64**	**2,069.08**	**1,033.51**	**1,111.74**
ASSETS					
Non - Current Assets					
a) Fixed Assets					
i.) Tangible Assets	63.43	40.59	49.57	45.35	54.30
b) Deferred Tax Asset (Net)	6.28	1.46	0.66	0.00	0.00
c) Non Current (Long -term) Investments	84.20	84.20	18.44	44.34	33.64
d) Long-Term Loans and Advances	362.96	467.47	802.26	105.63	110.73
e) Other Non-Current Assets	0.00	0.00	0.00	0.00	0.00
	516.87	**593.73**	**870.92**	**195.32**	**198.67**
Current Assets					
a) Inventories	414.97	360.92	344.53	304.82	278.10
b) Trade Receivables	597.20	1,094.83	590.80	387.45	551.45
c) Cash and Cash equivalents	3.29	38.25	74.58	5.84	15.78
d) Short-Term Loans and Advances	462.18	78.18	180.26	139.75	67.37
e) Other Current Assets	117.71	32.74	7.99	0.34	0.37
	1,595.34	**1,604.92**	**1,198.16**	**838.19**	**913.07**
TOTAL	**2,112.21**	**2,198.64**	**2,069.08**	**1,033.51**	**1,111.74**

Annexure II
STATEMENT OF STANDALONE PROFIT AND LOSS ACCOUNT, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2015	**2014**	**2013**	**2012**	**2011**
REVENUE:					
Revenue from Operations	3,331.89	4,696.57	3,278.23	1,731.97	2,694.28
Other Income	150.10	160.59	102.39	93.17	548.23
Total revenue	**3,481.99**	**4,857.16**	**3,380.62**	**1,825.14**	**3,242.52**
EXPENSES:					
Cost of materials consumed	3,027.04	4,115.23	2,931.59	1,644.11	2,337.54
Changes in inventories of finished goods , work -in - progress and stock - in trade	(54.05)	(16.39)	(39.72)	(26.71)	159.90
Employee benefits expense	39.16	48.38	32.34	26.95	28.76
Finance cost	100.48	84.52	50.59	29.75	33.30
Depreciation and amortization expense	24.77	9.18	10.05	9.96	4.50
Other expenses	214.52	318.63	207.65	78.18	266.35
Total expenses	**3,351.92**	**4,559.56**	**3,192.50**	**1,762.24**	**2,830.34**
Net Profit / (Loss) before Tax	**130.07**	**297.60**	**188.12**	**62.90**	**412.17**
Less: Provision for Tax					
Current tax as per income tax	47.86	98.01	50.53	10.87	82.09
MAT Credit Receivable	0.00	0.00	0.00	(10.87)	(82.09)
Deferred tax	(4.82)	(0.80)	(0.83)	0.00	0.39
Total	**43.04**	**97.21**	**49.70**	**0.00**	**0.39**
Net Profit / (Loss) for the period after tax but before extra ordinary items	**87.03**	**200.39**	**138.42**	**62.90**	**411.79**
Extraordinary Items	0.00	0.00	0.00	0.00	0.00
Net Profit / (Loss) for the period after tax and after extra ordinary items available for appropriation	**87.03**	**200.39**	**138.42**	**62.90**	**411.79**

Annexure III
STANDALONE CASH FLOW STATEMENT, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Cash Flow From Operating Activities					
Net Profit Before Tax	130.07	297.60	188.12	62.90	412.17
Adjustments for :					
Depreciation/Amortisation	24.77	9.18	10.05	9.96	4.50
Dividend Received	0.00	0.00	0.07	0.07	0.31
Interest Received	79.65	104.40	77.90	12.66	14.58
Interest Paid	100.48	84.52	50.59	29.75	33.30
Operating Profit Before Working Capital Adjustment	**175.67**	**286.91**	**170.79**	**89.88**	**435.08**
Adjustment for Changes in Working Capital					
Trade and other payable	28.10	(81.45)	198.46	(2.60)	(374.21)
Inventories	(54.05)	(16.39)	(39.72)	(26.71)	159.90
Trade and other Receivables	497.63	(504.03)	(203.35)	164.01	156.14
Short Term Loans & Advances	(362.15)	140.55	(35.83)	(83.26)	(101.25)
Other Current Assets	(84.96)	(24.75)	(7.65)	0.03	0.95
Other Short Term Provisions	(1.17)	1.44	0.10	0.03	(0.00)
Other Current Liabilities	(12.59)	(9.17)	16.26	(2.17)	(1.94)
Cash Flow Generated from Operations	**186.49**	**(206.89)**	**99.06**	**139.21**	**274.68**
Income Tax and Fringe Benefit Tax Paid	20.38	184.58	4.68	(10.87)	(82.09)
Net Cash flow from Operating activities (A)	**166.10**	**(391.47)**	**94.38**	**150.08**	**356.77**
Cash Flow From Investing Activities					
(Purchase)/Sale of Fixed Assets (including WIP)	(47.61)	(0.21)	(14.26)	(1.01)	(51.05)
(Purchase) / Sale of Investments	0.00	(65.76)	25.90	(10.70)	18.09
Long Term Loans & Advances	82.66	296.32	(701.31)	15.98	(19.42)
Dividend Received	0.00	0.00	0.07	0.07	0.31
Interest Received	79.65	104.40	77.90	12.66	14.58
Net Cash Flow from Investing Activities (B)	**114.70**	**334.74**	**(611.70)**	**17.00**	**(37.50)**
Cash Flow From Financing Activities					
Proceeds from/ (Repayment of) Borrowing	(215.29)	104.92	636.65	(147.25)	(316.01)
Proceeds from Share Capital (including Share Premium)	0.00	0.00	0.00	0.00	0.00
Interest Paid	(100.48)	(84.52)	(50.59)	(29.75)	(33.30)
Net Cash Flow From Financing Activities (C)	**(315.77)**	**20.40**	**586.06**	**(177.00)**	**(349.31)**
Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	**(34.96)**	**(36.33)**	**68.73**	**(9.92)**	**(30.04)**
Cash & Cash equivalent at the beginning of the year	38.25	74.58	5.84	15.78	45.82
Cash & Cash Equivalent at the end of the year	**3.29**	**38.25**	**74.58**	**5.84**	**15.78**

[1] The Company has not disclosed Cash Flow Statement in the Audited Financials for the above mentioned period, and hence has not complied strictly with AS – 3 of the Accounting Standards as prescribed by the ICAI.

Annexure IV

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

a. Financial statements have been prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles and the provisions of the Companies Act, 2013.

b. The Company follows the mercantile system of accounting on a going concern basis.

c. <u>Presentation and discloser in financial statements</u>

During the year ended March 31, 2012 the revised Schedule VI notified under the companies act 1956, had become applicable to the company, for preparation and presentation of its financial statements. The adoption of revised schedule VI does not impact recognition and measurement principles followed by the company for preparation of financial statements. However, it has significant impact on presentation and disclosure made in financial statements. The company has also reclassified the previous year figures in accordance with the requirement applicable in current year.

B. Use of Estimates

The presentation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure relating to contingent assets and liabilities as at the date of financial statements are reported amounts of incomes and expenses during the period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the period in which the results are known / materialized.

C. Fixed Assets, including Intangible Assets and Capital Work in Progress

a) Fixed Assets are stated at cost, net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

b) Intangible Assets, if any, are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortization and impairment losses, if any.

D. Depreciation and Amortization

Depreciation on fixed assets is provided to the extent of depreciation amount on written down value methods (WDV) at the rates and in the manner prescribed under the Schedule XIV to the Companies Act, 1956 over the useful life on a pro-rata basis. Due to change in law, from April, 2014 Depreciation has been provided in the manner as prescribed under the Schedule II to the Companies Act, 2013.

E. Revenue Recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection.

a) Revenue from operations includes trading of goods. Income from other sources includes, dividends, interest, discounts, drawbacks, rebates, commission, profit / loss of shares and assets, etc.
b) Revenue from services is recognized on rendering of goods to customer, Dividend income is recognized when received and Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

F. Government Grants and Subsidies

Grants and subsidies from government, if any, are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and that the grant/subsidy will be received.

G. Inventories

a) Raw materials are generally valued at cost determined on specific cost basis.

b) Process stock, if any, is valued at direct cost.

c) Appropriate reduction is made for slow moving and obsolete stock.

H. Foreign Currency Transactions

a) Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transaction or that approximates the actual rate at the date of the transaction.

b) Monetary items denominated in foreign currencies at the year-end are translated at the exchange rates prevailing on the date of the balance sheet.

c) Any income or expense on account of exchange difference whether on settlement or on translation of transactions other than those in relation to fixed assets is recognized in the statement of profit and loss as Other Income.

I. Cash and cash equivalent

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

J. Investment

Investments are classified into long-term investments and short-term investments. Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Long Term Investments & Short Term Investments, if any, are carried at cost. No provisions for diminution in the Long Term Investment are made and the same will be made only at the time of its disposal.

K. Impairment of Assets

The carrying amount of assets is reviewed at each Balance Sheet date to determine if there is any indication of impairment thereof based on external/ internal factors. An impairment loss in accordance with Accounting Standard-28 “Impairment of Assets “ is recognized wherever the carrying amount of an assets exceeds its recoverable amount, which represent the greater of the net selling price of assets and their value in use.

L. Retirement and other Employee Benefits

Short-term employee benefits are recognized as expenses at the undiscounted amount in the profit and loss account for the year in which the employee has rendered services. The expenses are recognized at the present value.

M. Segment Reporting

The company operates only in one reportable business segment i.e. trading of pharmaceutical & chemical goods. Hence there are no reportable segments under Accounting Standard -17. No separate geographical disclosures are required.

N. Borrowing cost

Borrowing costs include Bank charges, Bank Guarantee Commission and Loan Processing charges.

O. Taxation

a) Income Tax is accounted for in accordance with Accounting Standards on 'Accounting for taxes on Income' notified under the Companies (Accounting Standards) Rules, 2006.

b) Minimum Alternate Tax (MAT) is accounted for in accordance with tax laws which give rise to future economic benefits in the form of tax credit against which future tax liability will be adjusted and hence is recognized as an asset in the Balance Sheet.

c) Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realize such assets. Deferred tax assets are recognized for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisation.

P. Provisions, Contingent Liabilities and Contingent Assets:

a) Provision is recognized when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

b) A disclosure on contingent liability is made when there is a possible obligation or present obligation that probably will not require an out flow of resources or where reliable estimate of the amount of the obligation cannot be made. However contingent assets are neither provided for nor disclosed.

Q. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period.

R. There are no Auditor’s Qualifications in the Financial Statements of the Company.

Annexure V
NOTES TO ACCOUNTS

1. **Managerial Remuneration**

(₹ in lakhs)

Particulars	For the Year Ended March 31,				
	2015	2014	2013	2012	2011
Whole Time Directors Remuneration					
Salaries and Allowances	12.00	14.00	12.00	10.00	10.00
Other Fees	0.00	0.00	0.00	0.00	0.00
Sitting Fees	0.00	0.00	0.00	0.00	0.00
Non Whole Time Directors Remuneration					
Sitting Fees	0.00	0.00	0.00	0.00	0.00

2. **Deferred Tax**

Deferred Tax liability on account of timing difference between taxable income and accounting income for the year is accounted for by applying the tax rates and laws enacted or substantially enacted as of the balance sheet date. Deferred Tax Assets are recognized only to the extent of virtual certainty of its realization or adjustment against deferred tax liability.

The company has accounted for Income Tax in compliance with the accounting standards relating "Accounting' for Taxes on Income" (AS-22) issued by the Institute of Chartered Accountants of India.

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Deferred tax (liabilities)					
Timing difference in Depreciation	0.00	0.00	0.17	0.17	0.00
Add: during the year	0.00	0.00	0.00	0	0.39
Total (a)	**0.00**	**0.00**	**0.17**	**0.17**	**0.39**
Deferred tax (assets)					
Timing difference in Depreciation	1.46	0.66	0.00	0.00	0.22
Add: during the year	4.82	0.80	0.83	0.00	0.00
Total (b)	**6.28**	**1.46**	**0.83**	**0.00**	**0.22**
TOTAL (a + b)	6.28 (A)	1.46 (A)	0.66 (A)	0.17 (L)	0.17 (L)

3. **Remuneration to Statutory Auditors:**

(₹in lakhs)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
As Auditor	0.57	0.30	0.30	0.20	0.20
For Taxation Matters	0.00	0.00	0.00	0.00	0.00
Other Matters	0.00	0.00	0.00	0.00	0.00
Total	**0.57**	**0.30**	**0.30**	**0.20**	**0.20**

4. The Company has not received any intimation from suppliers regarding their status under micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, in relation to amount unpaid as at the yearend together with interest payable as required under the said Act have not been furnished.

5. The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required.

6. **Accounting for taxes on income**

Provision for current tax is made based on the tax payable under the current provisions of the tax laws applicable in the jurisdiction where the income is assessable.

7. **Contingent Liability**

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprises, or is a possible obligation that arises from past events but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made.

8. **Earnings Per share**

Basic & Diluted Earnings per Share is calculated on Weighted Average number of Equity shares during the year.

9. Previous year figures have been re-grouped and reclassified wherever necessary to confirm to the current year classification.

10. **Information regarding Foreign Exchange earnings and expenditure**:

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Earning in Foreign Exchange	105.64	817.89	431.15	0.00	0.00
Expenditure in Foreign Exchange	12.73	200.96	27.08	19.68	39.09

ADJUSTMENTS MADE TO RESTATED FINANCIAL STATEMENTS DUE TO REPRESENTATION UNDER NEW FORMAT OF SCHEDULE VI OF THE COMPANIES ACT, 1956

Reconciliation of Current Assets and Loans & Advances

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
As per Balance Sheet					
Current Assets					
Sundry Debtors					551.45
Commission Receivable					0.27
Closing stock					278.10
Cash & Bank					
Cash in Hand					6.69
Citi Bank					5.15
HDFC Bank					0.47
Union Bank of India(103)					(404.10)
Union Bank of India(234)					0.53
Union Bank of India(484)					2.23
Loans & Advances					
10% Margin deposit with bank on L.C					1.17
TDS Receivables					
TDS (A.Y 2007-08)	N. A.	N. A.	N. A.	N. A.	0.11
TDS (A.Y 2008-09)					7.32
TDS (A.Y 2009-10)					14.35
TDS (A.Y 2010-11)					22.77
TDS (A.Y 2011-12)					2.82
Advance Tax (A.Y 2011-12)					20.00
MAT Credit Receivable (A.Y 2011-12)					82.09
Miscellaneous Exp					0.10
Total					**591.51**
As per Restated					
Cash & Bank					15.78
Trade Receivables					551.45

Inventories					278.10
Short Terms Loans & Advances					149.45
Other Current Asset					0.37
Total					**995.14**
Difference in Current Assets & Loans & Adv.					**(403.63)[(1)]**

[(1)] The above difference pertains Cash Credit loan taken from UBI of ₹ 404.10 lakhs and negative balance with HDFC business loan of ₹ 0.47 lakhs which were shown under Cash & Bank balance in the Audited Financials.

Reconciliation of Current Liabilities & Provisions

(₹ in lakhs)

Particulars	**For the year ended March 31,**				
	2015	**2014**	**2013**	**2012**	**2011**
As per Balance Sheet					
Sundry Creditors					(86.36)
Brokerage Payable					0.43
Commission Payable					0.60
Electricity Exp Payable					0.00
General Exp Payable					0.04
Salary Payable					1.31
Telephone Exp Payable					0.01
Provisions					
Directors Salary					12.50
Audit Fees					0.17
TDS Payable(contractor)					0.00
TDS Payable(Brokerage)					0.17
TDS Payable (Interest)					0.00
CST Payable					0.95
VAT Payable					0.97
TDS Payable	N. A.	N. A.	N. A.	N. A.	0.00
Provision for taxation FY 07/08					6.91
Provision for taxation FY 08/09					14.62
Provision for taxation FY 09/10					22.23
Provision for MAT AY 11/12					82.09
Total					**56.65**
As per Restated					
Trade Payables					(86.36)
Other Current Liabilities					17.00
Short term provision					126.02
Total					**56.65**
Difference in Current Liabilities & Provisions					**0.00**

Reconciliation of Expenses

(₹ in lakhs)

Particulars	**For the year ended March 31,**				
	2015	**2014**	**2013**	**2012**	**2011**
As per Balance Sheet					
Clearing charges					0.53
Custom duty paid					7.92
Carriage inwards					0.01
Shipping charges					0.32
Advertising Expense					1.21
Audit Fee					0.20
Bad debts					166.79
Bank charges					3.58
Bank charges(Imports)					0.14

Bank Interest					30.61
Brokerage paid					9.70
Business Promotion Exp					0.50
Commission paid					2.84
Conveyance and car exp					0.00
CST Paid					15.80
Depreciation					4.50
Diff and shortages					0.70
Directors Remuneration					10.00
Discount					1.09
Diwali Bonus					1.13
Donation					0.04
Electricity Charges					0.43
Freight paid					1.92
Franking charges					0.03
General Exp					0.01
Godown Rent					1.76
Goods lost	N. A.	N. A.	N. A.	N. A.	0.60
Insurances					1.30
Interest Paid					2.69
Loss on sale of shares (Short Term)					0.28
LST Paid VAT					33.54
Maintenance Charges					0.00
Membership & Subscription					0.10
Preliminary Exp. Written off					0.05
Printing & Stationery					1.86
Professional Fees					1.40
Provision for taxation					0.00
Rent paid					0.12
ROC Fees					0.13
Salaries					17.63
Software Maintenance					0.08
Sponsorship					0.43
Staff welfare					0.00
Telephone Charges					0.04
Testing & Lab					0.15
Travelling charges					1.65
FBT					0.00
Demat charges					0.07
Hotel Exp					0.00
Processing Fees					9.33
Total					**333.58**
As per Restated					
Employee Benefit Exp					28.76
Finance Cost					33.30
Depreciation & Amortisation Expenses					4.50
Other Exp					266.35
Total					**333.30**
Difference in Profit & Loss					**0.28**[(1)]

[(1)] The above difference pertains to Loss on sale of Shares which was shown as expense in the Audited Financials and the same has been shown as net from Income from Sale of Shares in the Restated Financials.

Reconciliation of Income

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
As per balance sheet					
Sales					2,694.28
Commission Recd					8.88
Interest Recd					14.30
Dividend Recd					0.31
Discount Recd					3.53
Foreign exchange diff					0.00
Rate diff					4.40
Bank Interest					0.28
Profit on sale on investment					514.79
Other Income	N. A.	N. A.	N. A.	N. A.	0.48
Profit on sale of car					1.54
Total					**3,242.79**
As per restated					
Revenue from Operation					2,694.28
Other Income					548.23
Total					**3,242.51**
Difference					**0.28**[(1)]

[(1)] The above difference pertains to Loss on Sale of Shares which was shown as expense in the Audited Financials and the same has been shown as net from Income from Sale of Shares in the Restated Financials.

OTHER ADJUSTMENTS MADE IN RESTATED FINANCIAL STATEMENTS / REGROUPING NOTES

Regrouping done in Profit & Loss Account that affect the Net Profit after Tax

Multiple Years

Provision for tax was not shown in the P&L A/c in Audited Financials for the F.Y. ending 2011, 2012, 2013 and 2014. Instead the Provision amount was deducted from MAT Credit Entitlement (asset side). In the Restated Financials, the provision amount has been made in the respective years in P&L A/c. Correspondingly the MAT credit received during for F.Y. ended 2011 and 2012 have been deducted from the provision figures in the respective years and for the F.Y. ended 2013 and 2014, the provision has been adjusted in the Short Term Loans & Advances under the relevant MAT balance.

Short Term Provisions Prior period expenses pertaining to each year have been re-adjusted against its respective year of accrual.

The above mentioned changes to Profit after Tax are summarised in the table below:

(₹ in lakhs)

Particulars	For the Year Ended March 31,				
	2015	2014	2013	2012	2011
Profit after Tax as per Audited Financials		298.42	147.80	62.90	411.78
Changes made in Restated Financials					
Provision for Tax earlier included in MAT Credit		(98.01)	(50.53)	(10.87)	(82.09)
MAT Credit Receivable	N. A.	0.00	0.00	10.87	82.09
MAT Credit excluded		0.00	41.15	0.00	0.00
Profit after Tax as per Restated Financials		**200.39**	**138.42**	**62.90**	**411.78**

Other Regrouping done in Balance Sheet

F. Y. 2013-14

'Short Provisions for Tax' pertaining to previous years adjusted under Reserves & Surplus in F.Y. 2013-14 in the Audited Financials now added to the Provision for Tax in its respective year i.e. F.Y. 2012-13 in the Restated Financials.

F. Y. 2014-15

Amount due from Ajmera Organics Pvt. Ltd. and IOL Chemicals & Pharma Limited included as Current Assets in the Audited Financials, now re-classified as Short Term Loans & Advances in the Restated Financials.

Advance amount paid for Income Tax (AY 2014-15) included as Current Assets in the Audited Financials, now re-classified as Short Term Loans & Advances in the Restated Financials.

Multiple Years

Loan amount from Group Companies in the F.Y. 2011, 2012, 2013 and 2014 shown as negative balance under Loans & Advances (asset side) in the Audited Financials, now shown as Borrowings (from Related Parties) in the respective years in the Restated Financials.

Bank O/d, Brokerage payable, Commission payable, CST Payable, Directors Salary, Electricity expense payable, General expense payable, Professional Fees payable, Salary payable, TDS payable, Telephone expense payable, VAT payable, Entry Tax payable, Interest payable, Maintenance charges and Rent payable shown under Short Term Provisions in the Audited Financials for F.Y. ended 2011, 2012, 2013, 2014 and 201, now shown as Other Current Liabilities in their respective years in the Restated Financials.

Amount of Cash Credit loan from Union Bank of India (UBI), shown as negative cash balance in the Audited Financials of F.Y. ended 2011, 2012, 2013, 2014 and 2015 and the same has been shown under Short Term Borrowings in their respective years in the Restated Financials.

Amount of Dropline Overdraft (Business Loan) from HDFC Bank, shown as negative cash balance in the Audited Financials of F.Y. ended 2011, 2012, 2013, 2014 and 2015 and the same has been shown under Short Term Borrowings in their respective years in the Restated Financials.

MAT Credit balance for the F.Y. ended 2011, 2012, 2013, 2014 and 2015 shown as Short Term Loans & Advances in the Audited Financials, now re-classified as Long Term Loans & Advances in the Restated Financials.

Other Regrouping done in Profit & Loss Account (that do not affect PAT)

F. Y. 2013-14

Loss due to 'Foreign Exchange Difference' amounting ₹to1.78 lakhs shown as 'Other Expenses' in the Audited Financials, now the same is adjusted under Other Income as a net figure in the Restated Financials.

Multiple Years

'Loss on Sale of Shares' shown as 'Other Expenses' in the Audited Financials for the F.Y. ended 2012, 2013 and 2014, now netted from the 'Profit on Sale of Shares' under "Other Income' in the restated Financials.

Annexure VI

STATEMENT OF FIXED ASSETS, AS RESTATED

(₹ in lakhs)

Particulars	For the Year Ended March 31,				
	2015	2014	2013	2012	2011
Office Premises					
Opening Balance	0.25	0.25	0.25	0.25	0.25
Addition during the year	0.00	0.00	0.00	0.00	0.00
Reduction during the year	0.00	0.00	0.00	0.00	0.00
Accumulated Depreciation	0.00	0.00	0.00	0.00	0.00
Closing Balance	0.25	0.25	0.25	0.25	0.25
Motor Car					
Opening Balance	38.03	38.03	29.62	29.62	10.20
Addition during the year	47.61	0.00	8.49	0.00	23.24
Reduction during the year	0.00	0.00	0.07	0.00	1.42
Accumulated Depreciation	42.80	23.44	18.34	12.27	8.61
Closing Balance	42.84	14.59	19.69	17.35	23.41
Computer System					
Opening Balance	2.59	2.59	2.09	1.90	1.90
Addition during the year	0.00	0.00	0.50	0.19	0.00
Reduction during the year	0.00	0.00	0.00	0.00	0.00
Accumulated Depreciation	2.53	2.21	1.96	1.79	1.62
Closing Balance	0.06	0.38	0.63	0.30	0.28
Refrigerator (Cold Storage)					
Opening Balance	4.14	4.14	4.14	4.14	0.44
Addition during the year	0.00	0.00	0.00	0.00	3.71
Reduction during the year	0.00	0.00	0.00	0.00	0.00
Accumulated Depreciation	3.87	2.36	1.97	1.49	0.90
Closing Balance	0.27	1.78	2.17	2.65	3.24
Furniture & Fixture					
Opening Balance	5.03	5.03	5.03	5.03	5.03
Addition during the year	0.00	0.00	0.00	0.00	0.00
Reduction during the year	0.00	0.00	0.00	0.00	0.00
Accumulated Depreciation	3.64	2.97	2.52	1.96	1.28
Closing Balance	1.39	2.06	2.51	3.07	3.75
Office Appliances					
Opening Balance	1.25	1.04	1.04	0.22	0.22
Addition during the year	0.00	0.21	0.00	0.82	0.00
Reduction during the year	0.00	0.00	0.00	0.00	0.00
Accumulated Depreciation	0.73	0.47	0.34	0.23	0.14
Closing Balance	0.52	0.78	0.69	0.80	0.07
Printer					
Opening Balance	0.44	0.44	0.44	0.44	0.34
Addition during the year	0.00	0.00	0.00	0.00	0.09
Reduction during the year	0.00	0.00	0.00	0.00	0.00
Accumulated Depreciation	0.44	0.40	0.38	0.34	0.27
Closing Balance	0.00	0.04	0.06	0.10	0.17
Bhiwandi Godown					
Opening Balance	25.44	25.44	25.44	25.44	0.00

Addition during the year	0.00	0.00	0.00	0.00	25.44
Reduction during the year	0.00	0.00	0.00	0.00	0.00
Accumulated Depreciation	10.15	8.57	6.69	4.61	2.29
Closing Balance	15.29	16.87	18.75	20.83	23.14
Generator					
Opening Balance	5.35	5.35	0.00	0.00	0.00
Addition during the year	0.00	0.00	5.35	0.00	0.00
Reduction during the year	0.00	0.00	0.00	0.00	0.00
Accumulated Depreciation	2.54	1.50	0.54	0.00	0.00
Closing Balance	2.81	3.85	4.82	0.00	0.00
Total Accumulated Depreciation	66.70	41.92	32.74	22.69	15.12
Net Block	63.43	40.59	49.57	45.35	54.30

Annexure VII
STATEMENT OF LONG-TERM INVESTMENTS, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Investment in Quoted Equity Shares					
Enzyme Pharma	0.02	0.02	0.02	0.02	10.07
JSW Steels (fully paid-up 454 shares)	0.00	0.00	0.00	2.65	2.65
SAIL (fully paid 700 shares)	0.00	0.00	0.00	0.07	0.07
IFCI (fully paid 5000 shares)	1.61	1.61	1.61	1.61	1.61
Jaysynth Dye Chem (fully paid 5000 shares)	1.13	1.13	1.13	1.13	1.13
Aadhaar Ventures India Ltd.(formerly Praneta Industries Ltd.)	8.90	8.90	10.64	10.64	11.73
Silverline Animation (fully paid 400 shares)	0.04	0.04	0.04	0.04	0.04
Silverline Technology (fully paid 1000 shares)	0.00	0.00	0.00	0.00	1.34
IOL Chemicals & Pharmaceuticals Ltd.	0.00	0.00	0.00	23.18	0.00
Investment in Un-Quoted Equity Shares					
Richie Rich Resorts Limited	5.00	5.00	5.00	5.00	5.00
Investments in Subsidiary Companies					
Ajmera Organics Pvt. Ltd. (formerly Abhishek Organics Pvt. Ltd.)	67.50	67.50	0.00	0.00	0.00
Total	**84.20**	**84.20**	**18.44**	**44.34**	**33.64**

Annexure VIII
STATEMENT OF INVENTORIES, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Stock – in – Trade	414.97	360.92	344.53	304.82	278.10
Total	**414.97**	**360.92**	**344.53**	**304.82**	**278.10**

Annexure IX
STATEMENT OF TRADE RECEIVABLES, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Outstanding for a period exceeding six months					
Considered Good					
From Promoter / Promoter Group	0.00	0.00	0.00	0.00	0.00
From Others	0.00	0.00	2.43	0.00	25.42
Sub - Total (A)	**0.00**	**0.00**	**2.43**	**0.00**	**25.42**
Outstanding for a period not exceeding six months					
Considered Good					
From Promoter / Promoter Group	18.15	0.00	0.00	0.00	0.00
From Others	579.05	1094.83	588.37	387.45	562.03
Sub - Total (B)	**597.20**	**1094.83**	**588.37**	**387.45**	**562.03**
Total (A+B)	**597.20**	**1094.83**	**590.80**	**387.45**	**551.45**

Annexure X
STATEMENT OF LOANS AND ADVANCES, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Long Term Loans & Advances					
Other Loans and Advances	335.00	417.66	713.98	12.52	28.49
MAT Credit Receivable (A.Y 2011-12)	17.09	38.94	77.41	82.09	82.09
MAT Credit Receivable (A.Y 2012-13)	10.87	10.87	10.87	10.87	0.00
TOTAL	**362.96**	**467.47**	**802.26**	**105.63**	**110.73**
Short Term Loans & Advances					
Advance Tax	20.00	0.00	34.71	3.50	20.00
Tax Deducted at Sources	10.32	78.18	145.55	136.25	47.37
Advance recoverable in cash or kind	431.86	0.00	0.00	0.00	0.00
Total	**462.18**	**78.18**	**180.26**	**139.75**	**67.37**

Annexure XI
STATEMENT OF CURRENT ASSETS, AS RESTATED

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Interest & Commission Receivable	6.82	5.40	7.84	0.27	0.27
Miscellaneous Expenditure not W/o	0.00	0.00	0.00	0.07	0.10
Deposits	0.16	0.16	0.16	0.00	0.00
Prepaid Expense	3.60	3.01	0.00	0.00	0.00
Duty Drawback / Excise Rebate	6.52	24.18	0.00	0.00	0.00
Income Tax (AY 2014-15)	100.61	0.00	0.00	0.00	0.00
Total	**117.71**	**32.74**	**7.99**	**0.34**	**0.37**

Annexure XII
STATEMENT OF LONG TERM BORROWINGS, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Secured Loans					
ICICI Car loan	0.59	2.91	4.99	0.00	0.00
Daimler Financial Car Loan	34.28	0.00	0.00	0.00	0.00
Unsecured Loans					
Ajmera Associates Ltd	0.00	0.04	0.04	0.30	0.04
Riviera Resorts Pvt Ltd	0.00	0.00	0.00	0.00	(0.06)
Total	**34.87**	**2.95**	**5.03**	**0.30**	**(0.02)**

Annexure XIII
STATEMENT OF SHORT TERM BORROWINGS, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Secured Loans					
Cash Credit loan from UBI	523.81	640.89	594.77	257.22	404.10
Business Loan from HDFC	223.96	(13.61)	287.61	(1.16)	(0.47)
Unsecured Loans					
From Related Parties	0.00	367.70	5.59	0.00	0.00
Total	**747.77**	**994.98**	**887.97**	**256.06**	**403.63**

The above amounts in Annexure XII and XIII include:

(₹ in lakhs)

Secured Borrowings	782.64	630.19	887.37	256.06	403.63
Unsecured Borrowings	0.00	367.74	5.63	0.30	(0.02)
Total	**782.64**	**997.93**	**893.01**	**256.36**	**403.61**

Note: For details of the Terms of Sanction, Maturity and other details of Secured Loans please refer the Chapter "*Financial Indebtedness*" on page no. 203 of this Draft Prospectus.

Annexure XIV
STATEMENT OF TRADE PAYABLES, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Sundry Creditors	55.33	27.59	109.80	(88.96)	(86.36)
Others	0.82	0.46	(0.31)	0.00	0.00
Total	**56.15**	**28.05**	**109.49**	**(88.96)**	**(86.36)**

Annexure XV
STATEMENT OF OTHER LIABILITIES, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Other Non-Current Liabilities					
Non – Current Liabilities	0.00	0.00	0.00	0.00	0.00
Total	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
Other Current Liabilities					
Expenses Payable	2.47	4.14	2.11	0.19	1.08
Statutory Dues	1.81	13.72	24.18	3.40	2.10

Salary Payable	2.38	2.73	4.55	11.24	13.81
Interest Payable	2.66	1.32	0.25	0.00	0.00
Total	**9.32**	**21.91**	**31.08**	**14.82**	**17.00**

Annexure XVI
STATEMENT OF SHORT TERM PROVISIONS, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Provision for Audit Fee	0.57	0.30	0.30	0.20	0.17
Provision for Taxation (including MAT)	123.49	96.01	182.58	136.72	125.85
Provision for Carriage I/W	0.00	1.44	0.00	0.00	0.00
Total	**124.06**	**97.75**	**182.88**	**136.92**	**126.02**

Annexure XVII
STATEMENT OF REVENUE FROM OPERATIONS, AS RESTATED

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Revenue from Operations	3,331.89	4,670.97	3,272.85	1,731.97	2,694.28
Export Incentive	0.00	25.60	5.38	0.00	0.00
Total	**3,331.89**	**4,696.57**	**3,278.23**	**1,731.97**	**2,694.28**

Annexure XVIII
STATEMENT OF OTHER INCOME, AS RESTATED

(₹ in Lakhs)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
Recurring Other Income					
Interest Received	79.65	104.40	77.90	12.66	14.58
Dividend Received	0.00	0.00	0.07	0.07	0.31
Commission Recd	0.00	0.11	0.00	1.36	8.88
Discount Recd	28.37	0.00	20.95	8.11	3.53
Foreign Exchange Diff	(1.43)	(1.78)	4.12	(2.15)	0.00
Non – Recurring Other Income					
Profit / (Loss) on sale of Investment (Net)	0.00	(1.32)	(2.87)	21.79	514.51
Profit / (Loss) on sale of Asset (Net)	0.00	0.00	0.00	0.00	1.54
Bad-Debts Recovery	14.00	12.00	0.00	8.52	0.00
Duty and Rebate	4.86	25.16	0.00	0.00	0.00
Misc other Income	24.65	22.02	2.22	42.80	4.88
Total	**150.10**	**160.59**	**102.39**	**93.17**	**548.23**

Annexure XIX
STATEMENT OF RELATED PARTY TRANSACTIONS, AS RESTATED

As per Accounting Standard 18 on related party disclosures issued by the Institute of Chartered Accountants of India, the Company's related parties are disclosed below:

(i) Key Managerial Personnel & Relatives

For the year ended March 31,				
2015	2014	2013	2012	2011
Jasmin Ajmera	Jasmin Ajmera	Jasmin Ajmera	Jasmin Ajmera	Jasmin Ajmera

Manish Ajmera	Manish Ajmera	Manish Ajmera	Manish Ajmera	Manish Ajmera
-	Jiten Ajmera	Jiten Ajmera	Jiten Ajmera	Jiten Ajmera
-	Alpesh Ajmera	Alpesh Ajmera	Alpesh Ajmera	Alpesh Ajmera

(ii) Relatives of KMPs

For the year ended March 31,				
2015	**2014**	**2013**	**2012**	**2011**
Alpesh Ajmera	M. H. Ajmera	M. H. Ajmera	M. H. Ajmera	M. H. Ajmera
Jiten Ajmera	Jesal Ajmera	Jesal Ajmera	Jesal Ajmera	Jesal Ajmera
M. H. Ajmera	Ashish Ajmera	Ashish Ajmera	Ashish Ajmera	Ashish Ajmera
Jesal Ajmera	Dhruv Ajmera	Dhruv Ajmera	Dhruv Ajmera	Dhruv Ajmera
Ashish Ajmera	Kishore Ajmera	Kishore Ajmera	Kishore Ajmera	Kishore Ajmera
Dhruv Ajmera	Ashwini Ajmera	Ashwini Ajmera	Ashwini Ajmera	Ashwini Ajmera
Kishore Ajmera	Avani Ajmera	Avani Ajmera	Avani Ajmera	Avani Ajmera
Ashwini Ajmera	Reena Ajmera	Reena Ajmera	Reena Ajmera	Reena Ajmera
Avani Ajmera	Charmi Ajmera	Charmi Ajmera	Charmi Ajmera	Charmi Ajmera
Reena Ajmera	-	-	-	-
Charmi Ajmera	-	-	-	-

(iii) Subsidiary Companies

For the year ended March 31,				
2015	**2014**	**2013**	**2012**	**2011**
Ajmera Organics Pvt. Ltd.	Ajmera Organics Pvt. Ltd.	-	-	-

(iv) Associates / Enterprises over which directors and / or their relatives has significant influence

For the year ended March 31,				
2015	**2014**	**2013**	**2012**	**2011**
Ajmera Associates Ltd.	Ajmera Associates Ltd.	Ajmera Associates Ltd.	Ajmera Associates Ltd.	Ajmera Associates Ltd.
Richie Rich Resorts Ltd.	Richie Rich Resorts Ltd.	Richie Rich Resorts Ltd.	Richie Rich Resorts Ltd.	Richie Rich Resorts Ltd.
Ajmera Commodities & Derivatives Pvt. Ltd.	Ajmera Commodities & Derivatives Pvt. Ltd.	Ajmera Commodities & Derivatives Pvt. Ltd.	Ajmera Commodities & Derivatives Pvt. Ltd.	Ajmera Commodities & Derivatives Pvt. Ltd.
International Financial Services Limited	International Financial Services Limited	International Financial Services Limited	International Financial Services Limited	International Financial Services Limited

(v) Particulars of Transactions with Related Parties

Key Management Personnel & Relatives

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2015	**2014**	**2013**	**2012**	**2011**
1) Finance					
Investment in Equity	0.00	0.00	0.00	0.00	0.00
2) Expenses					
Remuneration	12.00	14.00	10.00	10.00	10.00
Rent	0.11	0.43	0.10	0.12	0.12
3) Out standing					
Receivables	0.00	339.70	0.00	0.00	0.00
Payables	0.00	0.00	0.00	0.00	0.00

Relatives of KMPs

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
1) Finance					
Investment in Equity	0.00	0.00	0.00	0.00	0.00
2) Expenses					
Remuneration	0.00	0.00	0.00	0.00	0.00
Rent	0.00	0.00	0.00	0.00	0.00
2) Out standing					
Receivables	0.00	28.00	0.00	0.00	0.00
Payables	0.00	4.00	2.00	0.00	0.00

Subsidiaries

(₹ in Lakhs)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
1) Purchase & Sales					
Goods & Materials	109.14	22.51			
2) Finance					
Investment	0.00	67.50	N. A.	N. A.	N. A.
3) Out standing					
Receivables	103.10	35.61			
Payables	0.00	6.35			

Associates / Enterprises over which directors and / or their relatives has significant influence

(₹ in lakhs)

Particulars	For the year ended March 31,				
	2015	2014	2013	2012	2011
1) Purchase & Sales					
Goods & Materials	0.00	0.00	0.00	0.00	0.00
2) Finance					
Investment	0.00	0.00	0.00	0.00	0.00
3) Out standing					
Receivables	0.00	0.00	0.00	0.00	0.06
Payables	0.00	0.04	5.63	0.00	0.00

Annexure XX
STATEMENT OF CAPITALIZATION

(₹ in Lakhs)

Particular	Pre – Offer (as at March 31, 2015)	Post – Offer
Debt		
Long Term Debt	34.87	34.87
Short Term Debt	747.77	747.77
Total Debts (A)	**782.64**	**782.64**
Equity (Shareholder's funds)		
Equity share capital	50.30	553.30
Reserve and Surplus	1,089.74	1,039.44
Total Equity (B)	**1,140.04**	**1,592.74**
Long Term Debt / Equity Shareholder's funds	**0.03 : 1**	**0.02 : 1**
Total Debts / Equity Shareholder's funds	**0.69 : 1**	**0.49 : 1**

Note:

1. The above has been computed on the basis of Restated Financials of the Company.

Annexure XXI
STATEMENT OF CONTINGENT LIABILITIES, AS RESTATED

(₹ in lakhs)

Particular	For the year ended on March 31,				
	2015	2014	2013	2012	2011
Contingent Liabilities	0.00	0.00	0.00	0.00	0.00
Total	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

Annexure XXII
STATEMENT OF DIVIDEND DECLARED, AS RESTATED

(₹ in lakhs)

Particular	For the year ended on March 31,				
	2015	2014	2013	2012	2011
On Equity Shares					
Fully Paid up Share Capital	50.30	50.30	50.30	50.30	50.30
Face Value (₹)(1)	10.00	10.00	10.00	10.00	10.00
Paid up Value per Share (₹)(1)	10.00	10.00	10.00	10.00	10.00
Rate of Dividend	0.00%	0.00%	0.00%	0.00%	0.00%
Dividend Amount	0.00	0.00	0.00	0.00	0.00
Corporate dividend tax on above @ 16.995%	0.00	0.00	0.00	0.00	0.00

(1) The Face Value of the Equity Shares for the year March 31, 2015, 2014, 2013, 2012 and 2011 was ₹ 100/-. However, for comparison purposes, the same has been considered as face value of ₹ 10/- per Equity Share.

Annexure XXIII
STATEMENT OF ACCOUNTING RATIOS, AS RESTATED

(₹ in Lakhs)

Particular	For the year ended on March 31,				
	2015	2014	2013	2012	2011
Restated PAT as per P & L Account	87.03	200.39	138.42	62.90	411.79
Actual Number of Equity Shares outstanding at the end of the year(3)	5,03,000	5,03,000	5,03,000	5,03,000	5,03,000
Equivalent Weighted Average number of Equity Shares at the end of the year	55,33,000	55,33,000	55,33,000	55,33,000	55,33,000
Net Worth(1)	1,140.04	1,053.01	852.62	714.13	651.20
Earnings Per Share:					
Basic & Diluted(2)	1.57	3.62	2.50	1.14	7.44
Return on Net Worth (%)	7.63%	19.03%	16.23%	8.81%	63.23%
Net Asset Value Per Share (₹) - based on actual no. of equity shares at the end of the year	226.65	209.35	169.51	141.97	129.46
Nominal Value per Equity share (₹)(3)	10.00	10.00	10.00	10.00	10.00

(1) There is no revaluation reserve in last five years of the Company. Net Worth is Equity Share Capital + Reserves and Surplus – Preliminary expenses not written off.
(2) As there is no dilutive capital in the company, Basic and Diluted EPS are same.
(3) The Face Value of the Equity Shares for the year March 31, 2015, 2014, 2013, 2012 and 2011 was ₹ 100/-. However, for comparison purposes, the same has been considered as face value of ₹ 10/- per Equity Share and No. of Shares are accordingly adjusted.

Notes to Accounting Ratios:

a. The above statement should be read with the Significant accounting policies and notes to accounts appearing in Annexure IV & V respectively.

b. Formulas used for calculating above ratios are as under:

i. Basic EPS is being calculated by using the formula: Net Profit after excluding Extra-ordinary items / Weighted Average No. of outstanding shares.
ii. Net Asset Value is being calculated by using the formula: (Equity Share Capital + Reserves and Surplus – Preliminary Expenses not written off)/Number of Equity Shares at year end.
iii. Return on Net worth is being calculated by using the formula: Profit After Tax/(Equity Share Capital +Reserves and Surplus – Preliminary Expenses not written off).

Annexure XXIV
STATEMENT OF TAX SHELTER

(₹ in Lakhs)

Particular	For the year ended on March 31,				
	2015	2014	2013	2012	2011
Normal Corporate tax rates (%)	32.45%	32.45%	32.45%	32.45%	33.22%
Minimum alternative tax rates	20.01%	20.01%	20.01%	20.01%	19.93%
Profit before tax as per Restated P/L	130.07	297.60	188.12	62.90	412.17
Exempt Income 10A	-	-	-	-	-
Taxable income	130.07	297.60	188.12	62.90	412.17
Applicable Corporate tax Rate	0.32	0.32	0.32	0.32	0.33
Notional tax as per tax rate on profits (A)	42.20	96.56	61.04	20.41	136.91
Tax Adjustment					
Permanent Difference					
Donation & Other Expenses	1.66	1.66	5.53	0.30	0.39
Income Tax, FBT & Provision for Income Tax	-	-	-	-	-
35AC	-	-	-	-	-
U/s. 40(a) (ia)	0.19	0.23	-	-	-
Provision for Gratuity	-	-	-	-	-
Profit on Sale of Fixed Assets	-	-	-	-	(1.54)
Loss on Sale of Fixed Assets	-	-	-	-	-
Total Permanent Difference (B)	1.86	1.89	5.53	0.30	(1.16)
Timing Difference					
Depreciation	15.60	2.59	2.51	3.23	(1.26)
Exp. Disallowed u/s. 43B	-	-	-	-	-
Un Paid Professional Tax	-	-	-	-	-
Un Paid Bonus	-	-	-	-	-
U/s. 36(1) (VA) & 43B	-	-	-	-	-
Total Timing Difference (C)	15.60	2.59	2.51	3.23	(1.26)
Business Losses not set off in past years (D)	-	-	69.28	36.07	-
Total Adjustment (E) = (B+C+D)	17.46	4.48	77.32	39.60	(2.42)
Tax Expenses / (Saving) thereon (F) = (E)* Tax rate	5.67	1.45	25.09	12.85	(0.80)
Tax payable as per normal provisions (other than 115JB) of the Act (G)	44.26	98.01	58.85	19.93	122.93
MAT tax rate (H)	18.5%	18.5%	18.5%	18.5%	18%
Tax under MAT (I)	0.24	0.55	0.35	0.12	0.74
Tax payable for the year maximum of (G) or (I)	44.26	98.01	58.85	19.93	122.93

Notes:
1. The aforesaid Statement of tax Shelters has been prepared as per the 'Restated Profit and Loss Account'

CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS

There has been no change in the Accounting Policies in the last three (3) years.

CHANGE IN ACCOUNTING PERIOD

There has been no change in the accounting period of the Company.

SALE OR PURCHASE BETWEEN OUR COMPANY AND GROUP COMPANIES

There have been no transactions of sale or purchase during the FY 2014 – 2015 between our Company and the Group Companies exceeding 10% of our total sale or purchases.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Draft Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements have been prepared in accordance with Indian GAAP, the accounting standards and other applicable provisions of the Companies Act.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

Business Overview

We are a pharmaceutical trading and manufacturing organisation having established arrangements with manufacturers of key molecules and we supply the same to pharmaceutical manufacturing companies and ensure for them regular and assured supplies to match their manufacturing schedules. We work in a close collaboration with some of India's leading pharmaceutical companies and formulators and have been appointed as exclusive distributors for some leading pharmaceutical companies.

Our Company, Ajmera Pharmasure Limited, is part of the diversified Ajmera Group, having various businesses in Securities Market, Real Estate, Hospitality and Pharmaceuticals. Our Company was incorporated in 1990 for exporting, importing and supplying bulk drugs, vitamins, steroids and other APIs.

Our Company is engaged in the business of trading of Bulk Drugs – Active Pharmaceutical Ingredients ("API"). Our Company procures in bulk various APIs and supplies the same to formulators and other generic pharmaceutical players in both domestic and international markets. We provide ready finance to API manufacturers by buying their products in bulk and aid the formulators with steady supply. Our Company has exclusive agencies in the state of Maharashtra for various API & Chemical manufacturers like IOL Chemicals & Pharmaceuticals Ltd., Mascot Industries, Magma Industries, Lasa Laboratory Pvt. Ltd. and Dymes Pharmachem Ltd. We cater to over 100-150 customers and our product portfolio offers a diversified product range which includes varied pharmaceutical areas like Non Steroidal Anti – Inflammatory Drugs (NSAIDs), Anti – Infection Drugs, Anti – Oxidants, Anti – Fungal, fertility drugs and Oncology Drugs. We have a storage and logistic facility at Bhiwandi in Mumbai and at Lasudia Mori in Indore, where our goods our stored and supplied to the formulators and other manufacturers as per the order received.

Over the years, we have pursued both organic and inorganic growth strategies to strengthen our presence in the pharmaceutical industry. In the year 2013, we acquired the manufacturing unit of Abhishek Organics Pvt. Ltd. and established it as our subsidiary, re-christening it as Ajmera Organics Pvt. Ltd. ("Ajmera Organics"). Through our subsidiary, we ventured into manufacture of APIs like Ferrous Fumarate (IP / BP / USP / FCC), Fumaric Acid, Bronopol and Povidone Iodine, with concentration on manufacture of Ferrous Fumarate. The manufacturing unit of Ajmera Organics is situated in Tarapore, near Mumbai. The plant currently has a capacity of manufacturing approximately 150 tons per month of Ferrous Fumerate. We are strategically backward integrated with combination of technologies, for instance we are backward integrated in the manufacturing of Fumaric acid which is required for Ferrous Fumarate. This has enabled us to maintain our quality standards and ensured un-interrupted supply of a key raw material ingredient in the manufacturing process. Our Tarapore Unit, (owned by our Subsidiary Ajmera Organics Pvt. Ltd.), is ISO 9001:2008 certified for its scope of activities which include manufacture, supply and export of pharmaceutical ingredients and chemicals.

COMPETITION

Pharmaceutical being a global industry, we face competition from various domestic and international manufacturers and traders. Competition emerges from small as well as big players in the pharmaceutical industry. The organized players in the industry compete with each other by providing high quality, consistent and time bound products and value added services. We have a number of competitors offering products similar to us. We believe the principal elements of competition in our line of business are ready finance, consistent and quality products, prompt availability and strong relations formulators and pharmaceutical manufacturers. We compete against our competitors by establishing ourselves as a knowledge-based pharmaceutical company with exclusive agencies for various APIs in the

State of Maharashtra which enables us to provide our clients with bulk quantities at reasonable rates to meet their requirements.

Significant Developments after March 31, 2015 that may affect our Future Results of Operations

The Directors confirm that there have been no events or circumstances since the date of the last financial statements as disclosed in the Draft Prospectus which materially or adversely affect or is likely to affect the profitability of our Company, or the value of our assets, or our ability to pay liabilities within next twelve months.

Factors affecting our Result of Operation

Except as otherwise stated in this Draft Prospectus and the Risk Factors given in the Draft Prospectus, the following important factors could cause actual results to differ materially from the expectations include, among others:

Revenue Generation

We earn majority of our revenue from sale of pharmaceutical. We are engaged in the business of trading of Bulk Drugs – Active Pharmaceutical Ingredients ("API") and procure in bulk various APIs and supplies the same to formulators and other generic pharmaceutical players in both domestic and international markets.

We have a robust marketing team allocated amongst different divisions each handled by well trained Managers who are in turn headed by the Vice President (Marketing).

Raw Material Cost

Material costs are the largest component of our cost structure. The primary inputs required for processing for our products are fumaric acid, maleic acid solution, ferrous sulphate, liquid ammonia, formaldehyde, paraformaldehyde, sodium hydroxide, bromine, nitromethne, polyvinylpyrrolidone (PVP K-30), iodine, sulphuric acid, thiourea and other specific solutions and constitutes approx. 91% of our turnover.

Apart from the above mentioned raw materials solvents like water and toluene are required for manufacturing APIs. 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.

Our Financial Expenses

Our profitability is significantly impacted by our financial costs. For the fiscal 2015, 2014 and 2013, our financial expenses were ₹ 100.48 lakhs, ₹ 84.52 lakhs, and ₹ 50.59 lakhs. Our financial growth depends on how well we manage and service our debts.

Our ability to successfully implement its strategy and its growth and expansion plans

Our growth plans are considerable and would put significant demands on our management team and other resources. Any delay in implementation of our strategy and growth and expansion plans could impact our Company's roll out schedules and cause cost and time over runs.

Increasing competition in the industry

Our Company faces competition from local, national and international pharmaceutical companies and traders. Our Company operates in competitive environment which may force us to reduce the prices of our products and it may have an effect on our margins.

General economic and business conditions

As a Company with its complete operations in India, we are affected by general economic conditions in the country and in particular economic factors that affect textile industry in India. India's gross domestic product, or GDP, has been and will continue to be of importance in determining our operating results and future growth.

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

a. Financial statements have been prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles and the provisions of the Companies Act, 2013.

b. The Company follows the mercantile system of accounting on a going concern basis.

c. Presentation and discloser in financial statements

During the year ended March 31, 2012 the revised Schedule VI notified under the companies act 1956, had become applicable to the company, for preparation and presentation of its financial statements. The adoption of revised schedule VI does not impact recognition and measurement principles followed by the company for preparation of financial statements. However, it has significant impact on presentation and disclosure made in financial statements. The company has also reclassified the previous year figures in accordance with the requirement applicable in current year.

B. Use of Estimates

The presentation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure relating to contingent assets and liabilities as at the date of financial statements are reported amounts of incomes and expenses during the period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the period in which the results are known / materialized.

C. Fixed Assets, including Intangible Assets and Capital Work in Progress

a) Fixed Assets are stated at cost, net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

b) Intangible Assets, if any, are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortization and impairment losses, if any.

D. Depreciation and Amortization

Depreciation on fixed assets is provided to the extent of depreciation amount on written down value methods (WDV) at the rates and in the manner prescribed under the Schedule XIV to the Companies Act, 1956 over the useful life on a pro-rata basis. Due to change in law, from April, 2014 Depreciation has been provided in the manner as prescribed under the Schedule II to the Companies Act, 2013.

E. Revenue Recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection.

a) Revenue from operations includes trading of goods. Income from other sources includes, dividends, interest, discounts, drawbacks, rebates, commission, profit / loss of shares and assets, etc.

b) Revenue from services is recognized on rendering of goods to customer, Dividend income is recognized when received and Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

F. Government Grants and Subsidies

Grants and subsidies from government, if any, are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and that the grant/subsidy will be received.

G. Inventories

a) Raw materials are generally valued at cost determined on specific cost basis.

b) Process stock, if any, is valued at direct cost.

c) Appropriate reduction is made for slow moving and obsolete stock.

H. Foreign Currency Transactions

a) Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transaction or that approximates the actual rate at the date of the transaction.

b) Monetary items denominated in foreign currencies at the year-end are translated at the exchange rates prevailing on the date of the balance sheet.

c) Any income or expense on account of exchange difference whether on settlement or on translation of transactions other than those in relation to fixed assets is recognized in the statement of profit and loss as Other Income.

I. Cash and cash equivalent

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

J. Investment

Investments are classified into long-term investments and short-term investments. Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Long Term Investments & Short Term Investments, if any, are carried at cost. No provisions for diminution in the Long Term Investment are made and the same will be made only at the time of its disposal.

K. Impairment of Assets

The carrying amount of assets is reviewed at each Balance Sheet date to determine if there is any indication of impairment thereof based on external/ internal factors. An impairment loss in accordance with Accounting Standard-28 "Impairment of Assets " is recognized wherever the carrying amount of an assets exceeds its recoverable amount, which represent the greater of the net selling price of assets and their value in use.

L. Retirement and other Employee Benefits

Short-term employee benefits are recognized as expenses at the undiscounted amount in the profit and loss account for the year in which the employee has rendered services. The expenses are recognized at the present value.

M. Segment Reporting

The company operates only in one reportable business segment i.e. trading of pharmaceutical & chemical goods. Hence there are no reportable segments under Accounting Standard -17. No separate geographical disclosures are required.

N. Borrowing cost

Borrowing costs include Bank charges, Bank Guarantee Commission and Loan Processing charges.

O. Taxation

a) Income Tax is accounted for in accordance with Accounting Standards on 'Accounting for taxes on Income' notified under the Companies (Accounting Standards) Rules, 2006.

b) Minimum Alternate Tax (MAT) is accounted for in accordance with tax laws which give rise to future economic benefits in the form of tax credit against which future tax liability will be adjusted and hence is recognized as an asset in the Balance Sheet.

c) Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realize such assets. Deferred tax assets are recognized for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisation.

P. Provisions, Contingent Liabilities and Contingent Assets:

a) Provision is recognized when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

b) A disclosure on contingent liability is made when there is a possible obligation or present obligation that probably will not require an out flow of resources or where reliable estimate of the amount of the obligation cannot be made. However contingent assets are neither provided for nor disclosed.

Q. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period.

R. There are no Auditor’s Qualifications in the Financial Statements of the Company.

Results of our Standalone Operations

(₹ in Lakhs)

Particulars	Financial Year Ended March 31,							
	2015	% of Total Income	2014	% of Total Income	2013	% of Total Income	2012	% of Total Income
REVENUE:								
Revenue from Operations	3,331.89	95.69%	4,696.57	96.69%	3,278.23	96.97%	1,731.97	94.90%
Other Income	150.10	4.31%	160.59	3.31%	102.39	3.03%	93.17	5.10%
Total revenue	**3,481.99**	**100.00%**	**4,857.16**	**100.00%**	**3,380.62**	**100.00%**	**1,825.14**	**100.00%**
EXPENSES:								
Cost of materials consumed	3,027.04	86.93%	4,115.23	84.73%	2,931.59	86.72%	1,644.11	90.08%
Changes in inventories of finished goods , work -in - progress and stock - in trade	(54.05)	(1.55)%	(16.39)	-0.34%	(39.72)	(1.17)%	(26.71)	(1.46)%
Employee benefits expense	39.16	1.12%	48.38	1.00%	32.34	0.96%	26.95	1.48%

Finance cost	100.48	2.89%	84.52	1.74%	50.59	1.50%	29.75	1.63%
Depreciation and amortization expense	24.77	0.71%	9.18	0.19%	10.05	0.30%	9.96	0.55%
Other expenses	214.52	6.16%	318.63	6.56%	207.65	6.14%	78.18	4.28%
Total expenses	**3,351.92**	**96.26%**	**4,559.56**	**93.87%**	**3,192.50**	**94.44%**	**1,762.24**	**96.55%**
Net Profit / (Loss) before Tax	**130.07**	**3.74%**	**297.60**	**6.13%**	**188.12**	**5.56%**	**62.90**	**3.45%**
Less: Provision for Tax								
Current tax as per income tax	47.86	1.37%	98.01	2.02%	50.53	1.49%	10.87	0.60%
MAT Credit Receivable	0.00	0.00%	0.00	0.00%	0.00	0.00%	(10.87)	(0.60)%
Deferred tax	(4.82)	(0.14)%	(0.80)	(0.02)%	(0.83)	(0.02)%	0.00	0.00%
Total	**43.04**	**1.24%**	**97.21**	**2.00%**	**49.70**	**1.47%**	**0.00**	**0.00%**
Net Profit / (Loss) for the period after tax but before extra ordinary items	**87.03**	**2.50%**	**200.39**	**4.13%**	**138.42**	**4.09%**	**62.90**	**3.45%**

Main Components of our Profit and Loss Account

Income

Our total income comprises of revenue from operations and other income.

Revenue from Operations

Our revenue from operations (i.e. Pharmaceutical Trading and Manufacturing including domestic & export sales) as a percentage of total income was 95.69%, 96.69% and 96.97% in fiscals 2015, 2014, 2013 respectively.

Other Income

Our other income includes Interest Received, Bad Debts Recovery, Discount Received, Rebate (Excise) and other miscellaneous incomes. Other income, as a percentage of total income was 4.31%, 3.31% and 3.03% in fiscals 2015, 2014, 2013 respectively.

Expenditure

Our total expenditure primarily consists of Purchases, Changes in Inventories, Employee Benefit Expenses, Financial Cost, Depreciation and Amortization Expenses and Other expenses.

Purchases

Costs of Purchases are primarily including the purchases of traded goods in relation to pharmaceutical bulk drug products.

Employee Benefit Expenses

Expenses in relation to employees' remuneration and benefits include salary, bonus and staff welfare expenses, Director's remuneration etc.

Other Expenses

Other expenses primarily include Rent, Insurance, Electricity charges, Advertising expenses, Office expenses, etc

Financial Cost

Financial Cost primarily consists of bank interest and bank charges.

Depreciation and Amortization Expenses

Depreciation and Amortization Expenses primarily consist of depreciation/amortization on the fixed assets and Intangible Assets of our Company which primarily includes Vehicles, Furniture and fixtures, Computers and Electronic Equipments.

Provision for Tax

Income taxes are accounted for in accordance with Accounting Standard – 22 on "Accounting for Taxes on Income" ("AS-22"), prescribed under the Companies (Accounting Standards) Rules, 2006. Our Company provides for current tax as well as deferred tax, as applicable.

Provision for current taxes is made at the current tax rates after taking into consideration the benefits available to our Company under the provisions of the I. T. Act.

Deferred tax arises from the timing differences between book profits and taxable profits that originate in one period and are capable of reversal in one or more subsequent periods and is measured using the tax rates and laws applicable as of the date of the financial statements. Our Company provides for deferred tax asset / liability on such timing differences subject to prudent considerations in respect of deferred tax assets.

Fiscal 2015 compared with fiscal 2014

Income

In fiscal 2015, our total income decreased by ₹ 1,364 Lakhs or 29.06%, from ₹ 4,696.57 Lakhs in fiscal 2014 to ₹ 3,331.89 Lakhs in fiscal 2015. The major factor for such decrease was due to decrease in trading of pharmaceutical API products.

Other income decreased by ₹ 10.49 Lakhs or 6.53%, from ₹ 160.59 Lakhs in fiscal 2014 to ₹ 150.10 Lakhs in fiscal 2015. The major factor for such decrease was due to decrease in interest income.

Purchases

The purchases in fiscal 2015 were ₹ 3,027.04, a decrease of 26.44% as compared to the previous year purchases of ₹ 4,115.23 Lakhs in fiscal 2014. The above decrease was mainly due to decrease in scale of operations.

Employee Benefit Expenses

Our staff cost decreased by ₹9.22 Lakhs or 19.06%, from ₹39.16 Lakhs in fiscal 2015 to ₹48.38 Lakhs in fiscal 2014. This decrease was mainly due to decrease in Directors remuneration, Staff salaries, Staff welfare expenses.

Other Expenses

Other expenses decreased by ₹104.11 Lakhs from ₹318.63 Lakhs in fiscal 2014 to ₹214.52 Lakhs in fiscal 2015. The cause of decrease in these expenses was majorly due to better management of administrative, travelling and other expenses.

Financial Cost

Financial cost increased by ₹15.96 Lakhs from ₹84.52 Lakhs in fiscal 2014 to ₹100.48 Lakhs in fiscal 2015. The cause of increase in these financial costs was majorly due to increase in borrowings.

Depreciation and Amortization Expenses

Depreciation expenses increased by ₹15.59 Lakhs, from ₹9.18 Lakhs in fiscal 2014 to ₹24.77 Lakhs in fiscal 2015. This increase was due to the purchase of assets in the current fiscal.

Profit before Tax

Due to decrease in our scale of operation and corresponding decrease in our total income our PBT decreased by ₹167.53 Lakhs from ₹297.60 Lakhs in fiscal 2014 to ₹130.07 Lakhs in fiscal 2015.

Profit after Tax

Our profit after tax decreased by ₹113.36 Lakhs from ₹200.39 Lakhs in fiscal 2014 to ₹87.03 Lakhs in fiscal 2015.

Fiscal 2014 compared with fiscal 2013

Income

Our total income increased by ₹1,418.34 Lakhs or 43.27% from ₹3,278.23 Lakhs in fiscal 2013 to ₹5,696.57 Lakhs in fiscal 2014. The Major factor for this increase was increase in trading and export goods.

Other income increased by ₹58.20 Lakhs or 56.84%, from ₹102.39 Lakhs in fiscal 2013 to ₹160.59 Lakhs in fiscal 2014. The major factor for such increase was due to increase in interest income and Miscellaneous income.

Purchases

Purchases in fiscal 2014 were ₹4115.23 Lakhs as compared to ₹2931.59 Lakhs purchases in fiscal 2013, a increase of ₹1183.64 Lakhs or by 40.38% was recorded. The above increase was mainly due to increase in scale of operations.

Employee Benefit Expenses

Our staff costs increased by ₹16.05 Lakhs or 49.62%, from ₹ 32.34 Lakhs in fiscal 2013 to ₹ 48.38 Lakhs in fiscal 2014. This increase was mainly due to yearly increments and bonuses.

Other Expenses

Other Expenses increased by ₹110.98 Lakhs in fiscal 2014 from ₹207.65 Lakhs in fiscal 2013 to ₹318.63 Lakhs in fiscal 2014. The cause of increase in these expenses was majorly due to increase in Rates and Taxes, Electricity charges, Freight Paid etc.

Financial Cost

Financial cost increased by ₹33.93 Lakhs from ₹50.59 Lakhs in fiscal 2013 to ₹84.52 Lakhs in fiscal 2014. The cause of increase in these financial costs was majorly due to increase in borrowings.

Depreciation Expenses

Depreciation expenses decreased marginally by ₹ 0.87 Lakhs, from ₹ 10.05 Lakhs in fiscal 2013 to ₹ 9.18 Lakhs in fiscal 2014 on account of written down value of Fixed Assets.

Profit before Tax

PBT increased to ₹109.48 Lakhs as compared from ₹188.12 Lakhs in fiscal 2013 to ₹297.60 Lakhs in fiscal 2014, due to increasing in our total income.

Profit after Tax

Our profit after tax increased by ₹61.97 Lakhs from ₹138.42 Lakhs in fiscal 2013 to ₹200.39 Lakhs in fiscal 2014.

Fiscal 2013 compared with fiscal 2012

Income

In fiscal 2013, we recorded a total income of ₹3,278.23 Lakhs, an increase of ₹1,546.26 Lakhs or 89.28% as compared to ₹1,731.97 Lakhs in fiscal 2012. The Major factor for this increase was increase in API sales and augmented orders.

Other income was ₹102.39 lakhs for the fiscal year 2013 and ₹ 93.17 Lakhs in 2012.

Purchases

In fiscal 2013, we recorded purchases of ₹2,931.59 Lakhs, an increase of ₹2,287.48 Lakhs as compared to ₹1644.11 Lakhs in fiscal 2012. The main reason was for increase in scale of operations resulting in higher purchase of traded goods.

Employee Benefit Expenses

Our staff costs increased by ₹ 5.39 Lakhs, from ₹ 26.95 Lakhs in fiscal 2012 to ₹32.34 Lakhs in fiscal 2013. This increase was mainly due to yearly increments.

Other Expenses

Other expenses increased to ₹ 129.47 Lakhs, from ₹78.18 Lakhs in fiscal 2012 to ₹207.65 Lakhs in fiscal 2013.The cause of increase in these expenses was due to Rate and Taxes, Electricity charges, Commission paid etc.

Financial Cost

There was increase in financial cost to ₹20.84, from ₹29.75 Lakhs in fiscal 2012 to ₹50.59 Lakhs in fiscal 2013. The increase in financial cost was majorly due to increase in borrowings.

Depreciation Expenses

Depreciation expenses were ₹10.05 Lakhs in fiscal 2013 as compared to ₹9.96 Lakhs in fiscal 2012. This minor increase was due to increase in Fixed Assets.

Profit before Tax

PBT increased to ₹125.22 Lakhs as compared from ₹62.90 Lakhs in fiscal 2012 to ₹188.12 Lakhs in fiscal 2013 due to due to increase in our sale in both local and export market.

Profit after Tax

Our profit after tax increased by ₹75.52 Lakhs from ₹62.90 Lakhs in fiscal 2012 to ₹138.42 Lakhs in fiscal 2013.

Cash Flows

(₹ in lakhs)

Particulars	Year ended March 31		
	2015	**2014**	**2013**
Net Cash from Operating Activities	144.25	(429.94)	89.70
Net Cash from Investing Activities	136.55	373.21	(607.02)
Net Cash used in Financial Activities	(315.77)	20.40	586.06
Net Increase / (Decrease) in Cash and Cash equivalents	3.28	38.25	74.57

Cash Flows from Operating Activities

Net cash from operating activities in fiscal 2015 was₹ 144.25 lakhs as compared to the PBT of ₹ 87.03 lakhs for the same period. This difference is primarily on account of changes in trade and other payables, Trade and other Receivable.

Net cash from operating activities in fiscal 2014 was negative ₹ 429.94 lakhs as compared to the PBT were ₹ 200.39 lakhs for the same period. This difference is primarily on account of changes in trade payables, Inventories, trade receivable, other currents and other current liabilities.

Net cash from operating activities in fiscal 2013 was ₹ 89.70 lakhs as compared to the PBT of ₹ 138.42 lakhs for the same period. This difference is primarily on account of changes in trade payables and trade receivable and Short term loans and advance

Cash Flows from Investment Activities

In fiscal 2015, the net cash invested in Investing Activities was ₹ 136.55 lakhs. This was on account of long term s loan and advances and interest received.

In fiscal 2014, the net cash invested in Investing Activities was ₹ 373.21 lakhs. This was on account of long terms loan and advances and interest received.

In fiscal 2013, the net cash invested in Investing Activities was negative ₹ 607.02 lakhs. This expenditure was on account of purchase of Fixed Assets and Long term loans & advances.

Cash Flows from Financing Activities

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Net cash from financing activities in fiscal 2015 was negative ₹ 315.77 lakhs. This was on account of decrease in short term borrowings and interest paid.

Net cash from financing activities in fiscal 2014 was ₹ 20.40 lakhs. This was on account of increase in short term borrowings.

Net cash from financing activities in fiscal 2013 was ₹ 568.09. This was on account of increase in short term borrowings

Results of our Consolidated Operations

(₹ in Lakhs)

Particulars	Financial Year Ended			
	2015	% of Total Income	2014	% of Total Income
REVENUE:				
Revenue from Operations	3,730.54	96.22%	5,079.73	96.93%
Other Income	146.65	3.78%	160.79	3.07%
Total revenue	**3,877.19**	**100.00%**	**5,240.52**	**100.00%**
EXPENSES:				
Purchases of Stock	3,329.51	85.87%	4,429.45	84.52%
Changes in inventories of finished goods , work -in - progress and stock - in trade	(81.03)	-2.09%	(20.18)	-0.39%
Employee benefits expense	96.27	2.48%	62.00	1.18%
Finance cost	112.48	2.90%	91.10	1.74%
Depreciation and amortization expense	34.15	0.88%	14.68	0.28%
Other expenses	255.36	6.59%	363.64	6.94%
Total expenses	**3,746.74**	**96.64%**	**4,940.69**	**94.28%**
Net Profit / (Loss) before Tax & extra ordinary items	**130.45**	**3.36%**	**299.83**	**5.72%**
Extraordinary Items	0.00		0.00	
Net Profit / (Loss) before Tax	**130.45**	**3.36%**	**299.83**	**5.72%**

Less: Provision for Tax				
Current tax as per income tax	48.78	1.26%	102.28	1.95%
Deferred tax	(5.43)	-0.14%	(1.03)	-0.02%
Total	**43.35**	1.12%	**101.25**	1.93%
Net Profit / (Loss) for the period	**87.10**	**2.25%**	**198.58**	**3.79%**

Main Components of our Profit and Loss Account

Income

Our total income comprises of revenue from operations and other income.

Revenue from Operations

Our revenue from operations (i.e. Pharmaceutical Trading and Manufacturing including domestic & export sales) as a percentage of total income was, 96.22% and 3.78% in fiscals 2015 and 2014 respectively.

Other Income

Our other income includes Interest Received, Bad Debts Recovery, Discount Received, Rebate (Excise) and Commission and miscellaneous incomes. Other income, as a percentage of total income was 3.78% and 3.07% in fiscals 2015 and 2014, respectively.

Expenditure

Our total expenditure primarily consists of Purchases, Changes in Inventories, Employee Benefit Expenses, Financial Cost, Depreciation and Amortization Expenses and Other expenses.

Purchases

Costs of Purchases are primarily including the cost of traded goods and materials consumed in relation to pharmaceutical bulk drugs traded and manufactured.

Employee Benefit Expenses

Expenses in relation to employees' remuneration and benefits include salary, bonus and staff welfare expenses, Director's remuneration etc.

Other Expenses

Other expenses primarily include Rent, Insurance, Electricity charges, Advertising expenses, Office expenses, etc

Financial Cost

Financial Cost primarily consists of Bank Charges.

Depreciation and Amortization Expenses

Depreciation and Amortization Expenses primarily consist of depreciation/amortization on the fixed assets and Intangible Assets of our Company which primarily includes Vehicles, Furniture and fixtures, Computers and Electronic Equipments.

Provision for Tax

Income taxes are accounted for in accordance with Accounting Standard – 22 on "Accounting for Taxes on Income" ("AS-22"), prescribed under the Companies (Accounting Standards) Rules, 2006. Our Company provides for current tax as well as deferred tax, as applicable.

Provision for current taxes is made at the current tax rates after taking into consideration the benefits available to our Company under the provisions of the I. T. Act.

Deferred tax arises from the timing differences between book profits and taxable profits that originate in one period and are capable of reversal in one or more subsequent periods and is measured using the tax rates and laws applicable as of the date of the financial statements. Our Company provides for deferred tax asset / liability on such timing differences subject to prudent considerations in respect of deferred tax assets.

Fiscal 2015 compared with fiscal 2014

Income

In fiscal 2015, our total income decreased by ₹1,349.19 Lakhs or 26.56%, from ₹5,079.73 Lakhs in fiscal 2014 to ₹3,730.54 Lakhs in fiscal 2015. The major factor for such decrease was due to decrease in trading of pharmaceutical API products and reduction in manufacturing scale of operations.

Other income decreased by ₹14.14 Lakhs or 8.79%, from ₹160.79 Lakhs in fiscal 2014 to ₹146.65 Lakhs in fiscal 2015. The major factor for such decrease was due to decrease in interest income and discount received.

Purchases

The purchases in fiscal 2015 were ₹3,329, a decrease of 24.83% as compared to the previous year purchases of ₹4429.45 Lakhs in fiscal 2014. The above decrease was mainly due to decrease in scale of operations.

Employee Benefit Expenses

Our staff cost increased by ₹34.27 Lakhs or 55.27%, from ₹62.00 Lakhs in fiscal 2015 to ₹96.27 Lakhs in fiscal 2014. This increase was mainly due to yearly increments and increase in number of employees

Other Expenses

Other expenses decreased by ₹108.28 Lakhs from ₹363.64 Lakhs in fiscal 2014 to ₹ 255.36 Lakhs in fiscal 2015. The cause of decrease in these expenses was majorly due to better management of administrative, travelling and other expenses.

Financial Cost

Financial cost increased by ₹21.38 Lakhs from ₹91.10 Lakhs in fiscal 2014 to ₹112.48 Lakhs in fiscal 2015. The cause of increase in these financial costs was majorly due to increase in borrowings.

Depreciation and Amortization Expenses

Depreciation expenses increased by ₹19.47 Lakhs, from ₹14.68 Lakhs in fiscal 2014 to ₹34.15 Lakhs in fiscal 2015. This increase was due to the purchase of assets in the current fiscal.

Profit before Tax

Due to decrease in our scale of operation and corresponding decrease in our total income our PBT decreased by ₹169.38 Lakhs from ₹299.83Lakhs in fiscal 2014 to ₹130.45 Lakhs in fiscal 2015.

Profit after Tax

Our profit after tax decreased by ₹111.48 Lakhs from ₹198.58Lakhs in fiscal 2014 to ₹87.10 Lakhs in fiscal 2015.

Cash Flows

(₹ in lakhs)

Particulars	Year ended March 31	
	2015	2014
Net Cash from Operating Activities	216.28	(613.46)
Net Cash from Investing Activities	99.20	410.40
Net Cash used in Financial Activities	(404.03)	193.88
Net Increase / (Decrease) in Cash and Cash equivalents	(23.15)	65.40

Cash Flows from Operating Activities

Net cash from operating activities in fiscal 2015 was ₹ 216.28 lakhs as compared to the PBT of ₹ 87.10 lakhs for the same period. This difference is primarily on account of trade and other payables, other current asset and trade and other receivable.

Net cash from operating activities in fiscal 2014 was negative ₹ 613.46 lakhs as compared to the PBT were ₹ 198.58 lakhs for the same period. This difference is primarily on account of trade payables, Inventories, trade receivable, other currents and other current assets.

Cash Flows from Investment Activities

In fiscal 2015, the net cash invested in Investing Activities was ₹ 99.20 lakhs. This was on account of long terms loan and advances and interest received.

In fiscal 2014, the net cash invested in Investing Activities was ₹ 410.40 lakhs. This was on account of long terms loan and advances and interest received.

Cash Flows from Financing Activities

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Net cash from financing activities in fiscal 2015 was negative ₹ 404.03 lakhs. This was on account of decrease in short term borrowings and interest paid.

Net cash from financing activities in fiscal 2014 was ₹ 193.88 lakhs. This was on account of increase in short term borrowings.

OTHER MATTERS

1. **Unusual or infrequent events or transactions**

   Except as described in this Draft Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. **Significant economic changes that materially affected or are likely to affect income from continuing Operations**

   Other than as described in the Section titled *"Financial Information"* and chapter titled *"Management's Discussion and Analysis of Financial Conditions and Results of Operations"*, beginning on pages nos. 147 and 189 respectively of this Draft Prospectus respectively, to our knowledge there are no Significant economic changes that materially affected or are 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 revenue or income from continuing operations**

   Other than as described in the chapter titled *"Risk Factors"* and *"Management's Discussion and Analysis of Financial Conditions and Result of Operations"*, beginning on pages nos. 9 and 189 respectively of this Draft Prospectus respectively to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

4. **Future relationship between Costs and Income**

Other than as described in the chapter titled *"Risk Factors"* beginning on page no. 9 of this Draft Prospectus, to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

5. **The extent to which material increases in revenue or income from operations are due to increased volume, introduction of new products or services or increased prices**

Increases in revenues are by and large linked to increases in volume of business activity carried out by the Company.

6. **Total turnover of each major industry segment in which our Company operates.**

The Company is a pharmaceutical Company and is in the business of trading and manufacturing of pharmaceutical products. Relevant industry data, as available, has been included in the chapter titled *"Industry Overview"* beginning on page no. 78 of this Draft Prospectus.

7. **Status of any publicly announced new products or business segments**

Please refer to the chapter titled *"Our Business"* beginning on page no. 89 of this Draft Prospectus.

8. **The extent to which the business is seasonal.**

Our business is not seasonal in nature.

9. **Any significant dependence on a single or few suppliers or customers**

The revenues from our top 10 customers constituted approximately 33.76% for FY 2015.

10. **Competitive Conditions**

Despite the fact that we are not affected by competition in the short-term, our results of operations could be affected by competition in the pharmaceutical industry in India and in abroad in the future. We expect competition to intensify due to possible changes in government policy, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established pharmaceutical and trading companies. This we believe may impact our financial condition and operations.

FINANCIAL INDEBTEDNESS

Set forth below, is a brief summary of our Company's borrowings as on March 31, 2015 together with a brief description of certain significant terms of such financing arrangements.

Nature of Borrowing	Amount (₹ in lakhs)
Secured Borrowings	782.64
Unsecured Borrowings	0.00
Total	782.64

Secured Loans

(₹ in lakhs)

Name of Lender	Type of Loan	Date of Sanction	Amount Sanctioned	Amount outstanding as on March 31, 2015	Interest (in % p.a.)	Repayment Schedule	Security
Union Bank of India ("UBI")	Cash Credit	October 14, 2014	820.00	523.81	BR (10.25%) + 1.50% = 11.75%	Repayable on Demand	• Hypothecation of stocks and book debts not older than 90 days • Collateral of Riche Rich Resort at Plot No. 10, Bazar Road at Matheran owned by Richie Rich Resorts Ltd.
HDFC Bank	Dropline Overdraft	January 05, 2014	500.00	223.96	11%	Repayable on Demand	• 29, 6th Floor, Aryan Mahal, Marine Drive, Churchgate, Mumbai - 400 020[(1)]

[(1)] *The property provided as security for the said loan is owned by our Promoter Group*

Vehicle Loans

(₹ in lakhs)

Name of the Lender	Agreement / Sanction Letter Date	Sanctioned Amount	Amount outstanding as on March 31, 2015	Repayment Schedule	Security Created
ICICI Bank	July 17, 2012	6.29	0.59	Repayable in 36 monthly instalments of ₹ 0.21 lakhs	Hypothecation of Hyundai I-20 1.4 Sportz
Daimler Financial Services India Pvt. Ltd.	January 21, 2015	36.06	34.28	Repayable in 36 monthly instalments of ₹ 0.61 lakhs	Hypothecation of New Mercedes–Benz E – 250CDI Avantgarde

During the currency of the facilities, without prior approval of the Lenders which shall not be unreasonably withheld, the Borrower (Ajmera Pharmasure Limited) shall not:

✓ Change or alter capital structure, unless stipulated by the Bank

✓ Effect any scheme of amalgamation or reconstitution.

✓ Implement a new scheme of expansion or take up an allied line of business / manufacture.

✓ Divert the funds raised to Inter Corporate Deposits, Debentures, Stocks & Shares, Real Estate, etc.

- ✓ Declare dividends without paying the due installments, interests etc. to the Bank and without regularizing the Bank Accounts.
- ✓ Enlarge the scope of other manufacturing / trading activities.
- ✓ Withdraw moneys brought in by promoters / directors / friends and relatives.
- ✓ Invest any fund by way of deposits or loans or in share capital.
- ✓ Borrow or obtain credit facilities from any other Bank / Institution.

SECTION VII - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as described below, there are no outstanding criminal proceedings, litigations pertaining to actions by statutory / regulatory authorities, litigations pertaining to taxation matters (direct as well as indirect) involving our company, its directors, promoters, group companies and subsidiaries.

In addition to the above, except as disclosed below, there are no other material pending litigations involving our company, its directors, promoters, group companies and subsidiaries. Our Board of Directors considers other litigations pertaining to amounts quantifiable exceeding to ₹ 25 lakhs as material for disclosure in this offer document (i.e. figure less than 1% of the three years average total income of the company). This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on September 25, 2015.

PART 1: CONTINGENT LIABILITIES OF OUR COMPANY:

NIL

PART 2: LITIGATIONS RELATING TO OUR COMPANY

A. FILED AGAINST OUR COMPANY

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Material Pending Litigations

NIL

B. CASES FILED BY OUR COMPANY

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Material Pending Litigations

NIL

PART 3: LITIGATIONS RELATING TO OUR DIRECTORS

A. LITIGATION AGAINST OUR DIRECTORS

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Pending Litigations

NIL

B. LITIGATION FILED BY OUR DIRECTORS

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Material Pending Litigations

NIL

PART 4: LITIGATIONS RELATING TO OUR PROMOTERS

A. LITIGATION AGAINST OUR PROMOTERS

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Material Pending Litigations

NIL

B. LITIGATION FILED BY OUR PROMOTERS

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Material Pending Litigations

NIL

PART 5: LITIGATIONS RELATING TO OUR GROUP COMPANIES

A. LITIGATION AGAINST OUR GROUP COMPANIES

1. Litigation involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

4. Other Material Pending Litigations

Suit No. 1935 of 2008 filed before the Hon'ble High Court of Bombay by Sudhakar Kashinath Bokade against Richie Rich Resorts Limited & Mr. Bharat Champaklal Shah.

Sudhakar Kashinath Bokade ("**the Plaintiff**") filed a Suit No. 1935 of 2008 dated June 25, 2008 ("**the said suit**") against Richie Rich Resorts Limited before the Hon'ble High Court of Bombay thereby inter alia stating that the Plaintiff, who had development rights in respect of Plot no. F-67 and F-68 admeasuring 3,378.48 square meters, Village: Oshiwara , Andheri, Mumbai **("the suit property"),** mortgaged the suit property in favour of Richie Rich, in order to secure a loan of ₹ 5,00,50,000(Rupees Five Crores and Fifty Lakhs only), which was purchased, from Richie Rich, by Mr. Bharat Champaklal Shah ("**Defendant no. 2**") vide sale deed dated September 4, 2007, on account of non-repayment of the said loan by the Claimant. The Plaintiff has inter alia alleged that that the sale transaction was bad in law and has asserted that the suit property was sold with gross undervaluation and has therefore filed the said suit. The plaintiff has inter alia claimed reliefs to the extent of ₹ 29,33,25,000/- (Rupees Twenty-Nine Crores Thirty-Three Lakhs and Twenty-Five Thousand only) towards damages together with interest thereon at such rate as the Hon'ble High Court may deem fit and proper and has inter alia prayed that on repayment of the amount found due to Richie Rich, the suit property be re-transferred to him. The Plaintiff has also alternatively prayed inter alia that Richie Rich be ordered and decreed to pay to the Plaintiff a sum of ₹ 94,25,000/- (Ninety Four Lakh and Twenty Five Thousand only) together with interest thereon at such rate as the Hon'ble High Court may deem fit and proper from the date of the suit till payment and realization thereof. Thereafter, the Plaintiff filed a Notice of Motion No. 2308 of 2008, in the said suit, inter alia for the appointment of the Court Receiver, High Court, Bombay, to act as the receiver of the Suit Property and to restrain Richie Rich and Defendant No.2 from alienating and/or disposing of the suit property, until the final hearing and disposal of the said suit. Vide order dated April 4, 2009 ("**the said Order**") of the Hon'ble High Court of Bombay, the Notice of Motion No.2308 of 2008 was dismissed. Subsequently, the Plaintiff preferred an appeal before the Hon'ble High Court of Bombay against the said Order, inter alia stating that the said Order was bad in law and contrary to the facts on record. The said suit and the appeal are pending hearing as on date.

Consumer Complaints bearing Complaint Case nos. CC/13/244 and CC/13/245 dated June 15, 2013 filed by Ms. Rachna Shukla and Ms. Sarita Mishra, respectively, before the State Consumer Disputes Redressal Commission, Maharashtra, through the Consumers Welfare Association against M/s. Harsh Construction and M/s. Sidhivinayak Developers.

Ms. Rachna Shukla and Ms. Sarita Mishra (collectively referred to as "**Complainants**") have filed complaints bearing Complaint Case nos. CC/13/244 and CC/13/245 dated June 15, 2013 , respectively, through the Consumer Welfare Association, under Section 12 of the Consumer Protection Act, 1986, against M/s. Harsh Construction and M/s. Sidhivinayak Developers (collectively referred to as "**Opposite Parties**") inter alia stating that the Complainants vide Agreement for Sale dated February 15, 2006 ("**the said Agreement**"), entered into with M/s. Harsh Construction, had both purchased flat no. 901, on 9th Floor of B-1 Wing of the building named Divyam Heights at Andheri (West), Mumbai – 400 058 (**"the said flat")** and had made part payment towards the said flat and the balance payment for the same were to be made in the form of subsequent instalments. However, due to failure on the part of the Opposite Parties of resuming and completing the construction and delivering possession of the said flat to the Complainants, the said complaints had been filed. The Complainants have inter alia prayed that the Opposite Parties be directed to resume and complete construction of the said flat and deliver to the Complainants possession of the said flat pursuant to accepting the balance consideration payable by the Claimant to the Opposite Parties. Moreover, the Complainants have alternately claimed compensation of ₹ 68,67,958/- (Rupees Sixty-Eight Lakhs Sixty-Seven Thousand Nine Hundred and Fifty-Eight only) and ₹ 42,70,523/- (Rupees Forty-Two Lakhs Seventy Thousand Five Hundred and Twenty-Three only), respectively, towards deficiency of service and unfair business practice of the Opposite Parties and have claimed compensation of ₹ 5,00,000 (Rupees Five Lakhs only) each and ₹ 20,000 (Rupees Twenty Thousand only) each towards cost of the complaint. Subsequently, the Opposite Parties have filed their written arguments against the complaints filed, inter alia denying the claims of the Complainants. The matters are pending as on date.

Consumer Complaints bearing Complaint Case nos. CC/13/101 and CC/13/102 dated April 04, 2013 filed by Mrs. Sushma Vinay Bajpai and Mr. Vinaykumar G. Bajpai, respectively, before the State Consumer Disputes Redressal Commission, Maharshtra against M/s. Harsh Construction and M/s. Sidhivinayak Developers.

Mrs. Sushma Vinay Bajpai and Mr. Vinaykumar G. Bajpai (collectively referred to as "**the Complainants**") have filed Consumer Complaints bearing Complaint Case nos. CC/13/101 and CC /13/102 dated April 04, 2013, respectively before the State Consumer Disputes Redressal Commission, Maharshtra against M/s. Harsh Construction and M/s. Sidhivinayak Developers (collectively referred to as "**Opposite Parties**") thereby inter alia stating that vide Agreements for Sale dated February 8, 2006 the Complainants have purchased flats bearing Flat no. 1004 and Flat no. 1003 respectively on the 10th Floor in B-2 Wing, in the building named Divyam Heights at Andheri (West), Mumbai (**"the said flats"**) and have made part payment towards the said flats and the balance payment for the same were to be made as per the progress of the work, as intimated by the Opposite Parties. However, due to failure on the part of the Opposite Parties of completing the construction and delivering possession of the said flats to the Complainants, the said complaints have been filed. The Complainants have inter alia prayed that the Opposite Parties be directed to complete the construction of the said flats and hand over the possession of the same to the Complainants within six months or within such time period as the Hon'ble Commission may deem fit pursuant to accepting the balance consideration payable by the Complainants to the Opposite Parties, and to restrain the Opposite Parties from creating third party interests pending the hearing of the said complaints. Moreover, the Complainants have claimed a total compensation ₹ 40,87,820 (Rupees Forty Lakhs Eighty-Seven Thousand Eight Hundred and Twenty only) and ₹ 50,77,560 (Rupees Fifty Lakhs Seventy-Seven Thousand Five Hundred and Sixty only) respectively. Thereafter, vide Order dated July 16, 2013, ("**the said Order**"), State Consumer Disputes Redressal Commission, Maharashtra has issued a common order in respect of the said complaints inter alia rejecting the request of the Opposite Parties for grant of extension in filing their written versions against the claims made by the Complainants. Subsequently, the Opposite Parties filed a Revision Petition No.3373 of 2013 against the said Order, before the National Consumer Disputes Redressal Commission, New Delhi. Vide order dated October 9, 2013, the Revision Petition No.3373 of 2013 was dismissed. Thereafter, the Opposite Parties filed a Petition for Special Leave to Appeal (Civil) No. 2829/2014 against the order dated October 9, 2013 before the Supreme Court of India inter alia praying for interim relief. Vide Order dated February 10, 2014, the Supreme Court of India has granted stay of further proceedings. The matter is pending as on date.

B. LITIGATION FILED BY OUR GROUP COMPANIES

1. Litigation involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL*

* (*Note: Refer Risk Factors)*

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

Appeal No. 2673/Mum-2015 made on May 07, 2015 filed by Ajmera Associates Ltd. against DCIT RG 4(1) for AY 2010-11.

Ajmera Associated Ltd. ("**the Appellant**") has filed an appeal bearing no. 2673/Mum-2015 dated May 07, 2015 before the Income Tax Appellate Tribunal against the order of the DCIT RG 4(1) dated March 24, 2013 dismissing the appeal by AAL against the assessment order u/s 143(3) of the Income Tax Act, 1961 dated December 17, 2012 claiming income tax dues for AY 2010-11 aggregating to ₹ 3.43 lakhs against AAL. The mater is currently pending.

Appeal No. [●] made on May 02, 2013 filed by Ajmera Associates Ltd. against DCIT RG 4(1) for AY 2011-12.
Ajmera Associated Ltd. ("**the Appellant**") has filed an appeal bearing no. [●] filed on May 02, 2013 before the Commissioner of Income Tax (Appeals) - 8 against the order of the DCIT RG 4(1) dated March 30, 2013 u/s 143(3) of

the Income Tax Act, 1961 claiming income tax dues for AY 2011-12 aggregating to ₹ 6.74 lakhs against AAL. The mater is currently pending.

(ii) Indirect Taxes Liabilities

NIL

4. **Other Material Pending Litigations**

Arbitration Reference No. [●] of 2012 dated February 21, 2012 filed by Ajmera Associates Limited against Vraj Commodities Private Limited.

Ajmera Associates Limited ("**the Claimant**") has filed an Arbitration Reference No.●[] of 2012 dated February 21, 2012 before the Arbitral Tribunal *inter-alia* for invoking arbitration proceedings against Vraj Commodities Private Limited ("**the Respondent**") for recovery of outstanding amounts payable to the Claimant. In the said Arbitration Reference, it has been averred by the Claimant that it had entered into a Business Service Agreement dated May 31, 2010 with the Respondent ("**said Agreement**") whereby it was *inter-alia* agreed that the parties were to carry out arbitrage business and that the Claimant was required to set-up infrastructure to carry out the said business as per the terms and conditions of the said Agreement and that the Respondents were not at liberty to terminate the same until the time the Claimants recovered the entire cost incurred by them for setting up the infrastructure. On account of the Respondents' failure to undertake the arbitrage business within the agreed parameters, in terms of the said Agreement, the Respondents incurred huge losses. Further, the Respondents failed and neglected to pay their share of losses to the Claimants. In view of the same, the Claimant invoked the said arbitration proceedings thereby *inter-alia* praying that an award be passed against the Respondents directing them to pay an amount of ₹ 1,68,93,972/- (Rupees One Crore Sixty-Eight Lakhs Ninety-Three Thousand Nine Hundred and Seventy-Two only) together with 18% (eighteen percent) interest per annum from February 15, 2012 till the date of the award as well as a further interest of 18% to be payable by the Respondents on the amount of the award from the date thereof till its realization. Thereafter, the Respondents filed a counter claim dated September 5, 2012 thereby inter alia denying the claims made by the Claimant and praying that an award be passed against the Claimant directing them to pay a sum of Rs 70,17,910/- (Rupees Seventy Lakhs Seventeen Thousand Nine Hundred and Ten only) and ₹ 1,00,00,000/- (Rupees One Crore only) towards damages and ₹ 40,00,000/- (Rupees Forty Thousand only) towards goodwill alongwith 18% (eighteen percent) interest per annum thereon from January 2011 till the date of the award. The matter is pending as on date.

PART 6: LITIGATIONS RELATING TO OUR SUBSIDIARIES

A. CASES FILED AGAINST OUR SUBSIDIARIES

1. **Litigation Involving Criminal Laws**

NIL

2. **Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

3. **Litigation involving Tax Liabilities**

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

Sr. No.	Nature of Matter	No. of Claims	Amount of Each Claim (to the extent quantifiable)
1.	Litigation Involving Direct Tax Liabilities	NIL	NIL

2.	Litigation Involving Direct Tax Liabilities	NIL	NIL

4. Other Pending Litigations

NIL

B. CASES FILED BY OUR SUBSIDIARIES

1. Litigation Involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Litigation involving Tax Liabilities

(i) Direct Tax Liabilities

NIL

(ii) Indirect Taxes Liabilities

NIL

Sr. No.	Nature of Matter	No. of Claims	Amount of Each Claim (to the extent quantifiable)
1.	Litigation Involving Direct Tax Liabilities	NIL	NIL
2.	Litigation Involving Direct Tax Liabilities	NIL	NIL

4. Other Material Pending Litigations

NIL

PART 7: AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS

As on March 31, 2015, our company does not owe a sum exceeding ₹ 1 lakh to any small scale undertaking or creditor except as disclosed below:

Sr. No.	Name of Creditor	Amount o/s as on 31-03-2015 (₹ in lakhs)
1.	Granth Pharmaceuticals Pvt. Ltd.	25.86
2.	Excel Chemical Corporation	12.71
3.	Dymes Pharmachem Ltd.	10.25
4.	Lasa Laboratory Pvt. Ltd.	6.36

Source: Auditors Report

PART 8: MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE

Except as disclosed elsewhere in this Draft Prospectus, there have been no material developments that have occurred after the Last Balance Sheet Date.

GOVERNMENT APPROVALS AND OTHER STATUTORY APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Draft Prospectus) and except as mentioned below, no further important approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake this Offer and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Offer or continue our business activities. 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. Unless otherwise stated, these approvals are all valid as on the date of this Draft Prospectus.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities.

The following statement sets out the details of licenses, permissions and approvals taken by us under various central and state laws for carrying out business.

I. APPROVALS PERTAINING TO THIS OFFER

1. The Board of Directors have, pursuant to Section 28 of the Companies Act, 2013 and other applicable provisions, if any, by a resolution passed at its meeting held on July 17, 2015 authorized the Offer.

2. Our Company has obtained listing approval from the SME platform of the BSE dated [●].

II. INCORPORATION DETAILS

1. Certificate of Incorporation dated May 04, 1990 issued by the Registrar of Companies, Maharashtra, Mumbai, in the name of “Ajmera Trading and Impex Private Limited”.

2. Fresh Certificate of Incorporation dated June 17, 2011 issued by the Registrar of Companies, Maharashtra, Mumbai, consequent upon change of name from “Ajmera Trading and Impex Private Limited” to “Ajmera Pharmasure Private Limited”, bearing CIN: U51109MH1990PTC056421.

3. Fresh Certificate of Incorporation dated June 03, 2015 issued by the Registrar of Companies, Maharashtra, Mumbai, consequent upon change of name from “Ajmera Pharmasure Private Limited” to “Ajmera Pharmasure Limited” on conversion into a public limited company, bearing CIN U51109MH1990PLC056421.

III. GENERAL APPROVALS

1. The Company has obtained Registration Certificate of Establishment for its registered office at 63/67, Carmello’s Bldg., 4th Floor, Pathak Wadi, Mumbai- 400002, Maharashtra under the Maharashtra Shops and Establishments Act, 1948, issued by the office of the Inspector under Maharashtra Shops and Establishment Act, 1948, bearing registration no : C018436/ Commercial II Ward C. The Certificate was issued on January 21, 2006 and renewed on November 14, 2014 and is valid until December 31, 2017.

2. The Company has registered as an employer under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 and has obtained TIN No.: 99332325075P.

3. The International Securities Identification Number (ISIN) of the Company is INE546K01021.

IV. TAX RELATED APPROVALS

i. General					
Sr. No.	**Description**	**Granting Authority**	**Registration Number**	**Date of Certificate**	**Date of Expiry**
1.	Permanent Account Number (PAN)	The Income Tax Department, Government of	AAACA3801C	May 04, 1990	Valid until cancelled

		India			
2.	Tax Deduction Account Number (TAN)*	The Income Tax Department, Government of India	MUMA14592E	-	Valid until cancelled
3.	Certificate of Registration issued under Service Tax Code Registration**	Central Board of Excise and Customs, Ministry of Finance – Department of Revenue	AAACA3801CST001	Date of Issue: January 20, 2005 *Date of Last Amendment:* July 15, 2015	Valid until cancelled

** Acknowledgement dated July 2, 2015 corresponding to Application for Change in Name of the Company to 'Ajmera Pharmasure Limited' in TAN Data for TAN Allotted.*
***The Certificate of Registration is not transferable.*

ii. Value Added Tax					
Sr. no	**Description**	**Granting Authority**	**Registration number**	**Date of Certificate**	**Date of Expiry**
1.	Certificate of Registration in respect of the Company's premises located at Gala No. 1 and 2, Building No. K-2, Munisuvrat Complex, Phase II, Rahnal Village, Taluka Bhiwandi, District – Thane.	Sales Tax Officer (C-110), Registration Branch, Mumbai	TIN: 27050281560V	*Date of Issue:* July 21, 2011 *Effective Date:* April 1, 2006	Valid until cancelled
2.	Certificate of Registration, in respect of the Company's premises located at 22/3/2, S.D.A. Compound, Lasudia Mori, Dewas Naka, Indore, Madhya Pradesh.	Commercial Tax Officer, Government of Madhya Pradesh – Commercial Tax Department	TIN : 23359069169	*Date of Issue :* January 10, 2013	Valid until cancelled

iii. Central Sales Tax					
Sr. no	**Description**	**Granting Authority**	**Registration Number**	**Date of Certificate**	**Date of Expiry**
1.	Certificate of Registration, in respect of the Company's premises located at 63/67, Carmellos Building, Pathak Wadi, Kalbadevi, Mumbai, Maharashtra.	Sales Tax Officer (C-110), Registration Branch, Mumbai	TIN (central): 27050281560C	July 21, 2011 *Effective Date :* April 1, 2006	Valid until cancelled

V. CENTRAL EXCISE RELATED APPROVALS

Sr. no	Description	Granting Authority	Registration number	Date of Certificate	Date of Expiry
1.	Central Excise Registration Certificate, for operating as a dealer of excisable goods at 22/3/2, S.D.A. Compound, Lasudia Mori, Dewas Naka, Indore, Madhya Pradesh*	Deputy Commissioner/Assistant Commissioner of Central Excise, Madhya Pradesh.	AAACA3801CED003	*Date of Issue:* January 14, 2013	Valid until cancelled
2.	Central Excise Registration Certificate for operating as a dealer of excisable goods at 63/67, Carmellos Building, Pathak Wadi, Kalbadevi, Mumbai, Maharashtra*	Deputy Commissioner/Assistant Commissioner of Central Excise, Mumbai	AAACA3801CXD001	July 23, 2015**	Valid until cancelled

**The Certificates of Registration are not transferable.*
*** Amended Registration Certificate issued in lieu of the Original Registration Certificate, which was issued on January 5, 2006.*

VI. OTHER APPROVALS

Sr. no	Description	Granting Authority	Registration Number	Date of Certificate	Date of Expiry
1.	Certificate of Importer-Exporter Code (IEC)**	Foreign Trade Development Officer, ,The Ministry of Commerce and Industry	IEC Number: 0399053875	August 25, 2011 *Date of Issue:* January 07, 2000	NA

***In case of change in name, address or constitution of the Company, it shall cease to be eligible to import or export against the Certificate after the expiry of 90 days from the date of such change unless the consequential changes have been effected in the IEC by the licensing authority.*
The Company is in the process of applying for amendment of the registration certificate under the new name, after its conversion into a public limited company.

VII. BUSINESS RELATED APPROVALS

S. No.	Description	Granting Authority	Registration Number	Date of Certificate	Date of Expiry
1..	Entrepreneur Memorandum Acknowledgement (Part II)	Director of Industries (MMR), Government of Maharashtra, Office of the Joint Director of Industries (MMR), Mumbai	*Entrepreneur Memorandum Number:* 27232100506	March 19, 2012	Valid until cancelled

2.	Licence in Form 20B to sell, stock or exhibit (or offer) for sale or distribute by wholesale, other than those specified in Schedule C, C(1) & X under Drugs and Cosmetics Rules, 1945 for the Company's premises situated at 22/3/2, SDA Compound, Dewas Naka, Indore, Madhya Pradesh***	Drugs Licensing Authority, District Indore.	Licence No: 20B/29/12/2013	January 22, 2013	Valid until January 21, 2018
3.	Licence in Form 21B to sell, stock or exhibit (or offer) for sale or distribute by wholesale, drugs specified in Schedule C, C(1) under Drugs and Cosmetics Rules, 1945 for the premises situated at 22/3/2, SDA Compound, Dewas Naka, Indore, Madhya Pradesh***	Drugs Licensing Authority, District Indore.	Licence No: 21B/29/12/2013	January 22, 2013	Valid until January 21, 2018

*** The Company is to comply with the provisions of the Drugs and Cosmetics Act, 1940 and Rules thereunder.*

VIII. ***Pending Approvals***

The Company has applied for the following approval and the same is pending registration:

1. Application under Form 19 filed for grant of Licence under 20B, and 21B to sell drugs other than those specified in Schedule C, C(1) and X and/or drugs specified in Schedule C, C(1), excluding those specified in Schedule X under Drugs and Cosmetics Rules, 1945, for the Company's premises located at Gala No. 1 and 2, Building No. K-2, Munisuvrat Complex, Phase II, Rahnal Village, Taluka Bhiwandi, District – Thane.

IX. ***Approvals required to be obtained by the Company, but not applied for:***

1. Registration Certificate of Establishment under Maharashtra Shops and Establishments Act, 1948 for Company's premises located at Gala No. 1 and 2, Building No. K-2, Munisuvrat Complex, Phase II, Rahnal Village, Taluka Bhiwandi, District – Thane; and

2. Registration Certificate of Establishment under Madhya Pradesh Shops and Establishments Act, 1958 for the Company's premises located at 22/3/2, S.D.A. Compound, Lasudia Mori, Dewas Naka, Indore, Madhya Pradesh.

SECTION VIII – OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Our Board of Directors have vide resolution dated July 17, 2015 authorized the Offer, subject to the approval by the shareholders of our Company.

The shareholders have authorized the Offer, by passing a Special Resolution at the Extra-Ordinary General Meeting held on August 17, 2015.

The Selling Shareholders have approved the transfer of the Equity Shares pursuant to the Offer as set out below:

Sr. No.	Name of the Selling Shareholder	Date of board resolution / authorisation letter	Number of the Equity Shares offered for sale
1.	Richie Rich Resorts Pvt. Ltd.	July 13, 2015	5,83,000
2.	Mr. Manish Ajmera	July 15, 2015	1,65,000
3.	Mrs. Minal Ajmera	July 15, 2015	85,000
4.	Mr. Ashish Ajmera	July 15, 2015	1,10,000
5.	Mr. Alpesh Ajmera	July 15, 2015	55,000
6.	Mr. Jiten Ajmera	July 15, 2015	1,10,000
7.	Kishore H. Ajmera (HUF)	July 15, 2015	3,08,000
8.	Mr. Nitin P. Ajmera	July 15, 2015	88,000

The Selling Shareholder have confirmed that they have held the Equity Shares proposed to be offered and sold in the Offer for more than one year prior to the date of filing of the Draft Prospectus with BSE and that it has not been prohibited from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory authority and the Equity Shares offered and sold by it are free from any lien, charge, encumbrance or contractual transfer restrictions.

The Company has obtained approval from BSE vide letter dated [●] to use the name of BSE in this offer Document for listing of equity shares on the SME platform of the BSE. BSE is the designated stock exchange.

Prohibition by SEBI, the RBI or Governmental Authorities

We confirm that there is no prohibition on our Company, its Directors, Promoters, entities forming part of our Promoter Group and its group Companies from accessing the capital market or operating in the capital markets under any order or direction passed by SEBI.

We further confirm that none of our Company, its Promoters, its Group Companies or the relatives of our Promoters and Group Companies have not been identified as wilful defaulters by RBI or other authorities.

Association with Securities Market

Except as set out below, none of the entities that our Directors are associated with are engaged in securities market related business and are registered with SEBI:

- Our Promoter Directors - Mr. Jasmin Ajmera and Mr. Manish Ajmera are directors on the board of Ajmera Associates Limited ("**AAL**"), a SEBI registered broker. The details of action initiated by SEBI on the said entity is given below:

  - SEBI, vide order dated September 29, 2005 initiated action under the SEBI (PFUTP) Regulations, 2003 whereby AAL was directed not to buy, sell or deal in specified securities on behalf of specified entities directly or indirectly, till further directions in this regard. However, SEBI vide order dated February 28, 2008 revoked the above order.
  - SEBI, vide order dated February 10, 2009 initiated action under the SEBI (PFUTP) Regulations, 2003 whereby AAL was imposed with a penalty of ₹ 5,00,000/ -. AAL appealed in SAT against the order and SAT vide its order dated January 19, 2010 set aside the above order and remanded fresh enquiry. After further enquiries, vide its order dated May 03, 2012 SEBI imposed a reduced penalty of ₹ 1,00,000/ -. AAL appealed again to SAT and SAT vide its order dated November 21, 2012 set aside the above order.

- SEBI, vide order dated September 11, 2009 initiated action under the SEBI (PFUTP) Regulations, 2003 and SEBI (Stock Brokers and Sub Brokers) Regulations, 1992 whereby AAL was imposed with a penalty of ₹ 1,00,000/-. AAL appealed in SAT against the order and SAT vide its order dated February 12, 2010 partly allowed the above order thus reducing the penalty to ₹ 50,000/-.
- SEBI, vide order dated March 31, 2010 initiated action under the SEBI (PFUTP) Regulations, 2003 and SEBI (Stock Brokers and Sub Brokers) Regulations, 1992 whereby AAL was imposed with a penalty of ₹ 75,000/-.
- SEBI, vide order dated September 13, 2010 initiated action under the SEBI (PFUTP) Regulations, 2003 and SEBI (Stock Brokers and Sub Brokers) Regulations, 1992 whereby AAL was imposed with a penalty of ₹ 1,00,000/-. AAL appealed in SAT against the order and SAT vide its order dated December 13, 2010 dismissed the appeal as failed.
- SEBI, vide order dated October 20, 2010 initiated action under the SEBI (PFUTP) Regulations, 2003 and SEBI (Stock Brokers and Sub Brokers) Regulations, 1992 whereby AAL was imposed with a penalty of ₹ 2,00,000/-.

- Our Chairman and Independent Director - Mr. Deepak Bhogilal Shah was a proprietor of M/s. Deepak Bhogilal Shah (**DBS**) a SEBI registered broker. The details of action initiated by SEBI on the said entity are given below:

  - SEBI, vide order dated January 13, 2009 initiated action under the SEBI (PFUTP) Regulations, 1995 whereby DBS was directed to be careful in future and exercise due care and diligence in the conduct of its affairs as a capital market intermediary. DBS was further warned that any instance of violation or non compliance of SEBI Act and Rules and Regulations in future shall be dealt with stringently.

  - SEBI, vide order dated January 15, 1999 initiated action under Sub-Regulation (3) of Regulation 29 of SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992 for not maintaining Sauda Book, irregularities in issuance of contract notes, indulging in fund based activities, non-segregation between clients funds and own funds, non-reporting off-the-floor transactions and indulging in carry-forward transactions and was suspended for a period of six months beginning from January 18, 1999 till July 17, 1999.

Eligibility for the Offer

Our Company is an "Unlisted Company" in terms of the SEBI (ICDR) Regulation; and this Offer is an "Initial Public Offer" in terms of the SEBI (ICDR) Regulations.

This Offer is being made in terms of Regulation 106 (M) (1) of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, a company whose post issue/offer face value capital does not exceed ten crore rupees, shall issue/offer shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE).

We confirm that:

a) In accordance with Regulation 106 (P) of the SEBI (ICDR) Regulations, this Offer has been hundred percent underwritten and that the Lead Manager to the Offer has underwritten more than 15% of the total Offer Size. For further details pertaining to the said underwriting please refer "*General Information- Underwriting*" on page no. 48 of this Draft Prospectus.

b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Offer is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulation, we have not filed any Draft Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manger submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.

d) In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we have entered into an agreement with the Lead manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Offer. For further details of the arrangement of Market Making please refer to "*General Information- Details of the Market Making Arrangements for this Offer*" on page no. 49 of this Draft Prospectus.

We further confirm that we shall be complying with all other requirements as laid down for such Offer under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

e) Our Company has Net Tangible assets of at least ₹ 3 crore as per the latest audited financial results

f) The Net worth (excluding revaluation reserves) of our Company is at least ₹ 3 crore as per the latest audited financial results

g) Our Company has track record of distributable profits in terms of sec. 123 of Companies Act, 2013 for at least two years out of immediately preceding three financial years and each financial year has to be a period of at least 12 months.

h) The distributable Profit, Net tangible Assets and Net worth of our Company as per the restated financial statements for the year ended and as at March 31, 2015, 2014 and 2013 is as set forth below:

(₹ in lakhs)

Particulars	Fiscal 2015	Fiscal 2014	Fiscal 2013
Distributable Profit(1)	87.03	200.39	138.42
Net tangible Assets(2)	1,168.63	1,054.50	857.00
Net Worth(3)	1,140.04	1,053.01	852.62

(1) Distributable profits have been computed in terms section 123 of the Companies Act, 2013.
(2) Net Tangible Assets are defined as the sum of fixed assets (including capital work in-progress and excluding revaluation reserve) investments, current assets (excluding deferred tax assets) less current liabilities (excluding deferred tax liabilities) and secured as well as unsecured long term liabilities excluding intangible assets as defined in Accounting Standard 26 issued by the Institute of Chartered Accountants of India.
(3) Net Worth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.

i) As on the date of Draft Prospectus, our Company has a paid up capital of ₹ 553.30 lakhs (₹ 5.53 Crores), which is in excess of ₹ 3 crore, and the Post Offer Capital shall also be in excess of ₹ 3 crore.

j) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).

k) There is no winding up petition against our company that has been accepted by a court.

l) Our company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.

m) We have a website: www.ajmera.co.in/pharmasure

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, ARYAMAN FINANCIAL SERVICES LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

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 OFFER DOCUMENT, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, ARYAMAN FINANCIAL SERVICES LIMITED HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [●] WHICH READS AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABOURATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID OFFER;**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE OFFER, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:**

   A. **THE PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE OFFER;**

   B. **ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

   C. **THE DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE COMPANIES ACT, 2013 (TO THE EXTENT NOTIFIED), THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. – <u>NOTED FOR COMPLIANCE</u>**

5. **WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD /TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING OF THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.**

6. **WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.**

7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITOR'S CERTIFICATE TO THIS EFFECT**

SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER. – <u>NOT APPLICABLE</u>

8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER FALL WITHIN THE "MAIN OBJECTS" LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY. – <u>NOT APPLICABLE</u>**

9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 (SECTION 40 OF COMPANIES ACT, 2013) AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION. – <u>NOTED FOR COMPLIANCE</u>**

10. **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. – <u>NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, THE EQUITY SHARES ARE TO BE ISSUED IN DEMAT ONLY.</u>**

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 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 THE BOARD FROM TIME TO TIME.**

13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE OFFER. – <u>NOTED FOR COMPLIANCE</u>**

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 PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**

16. **WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR (PLEASE SEE "ANNEXURE A" FOR FURTHER DETAILS).**

17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.**

THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT, 1956 (SECTION 34 OR SECTION 36 OF THE COMPANIES ACT, 2013) OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MERCHANT BANKER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

1. **WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**

2. **WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE COMPANY HAVE BEEN MADE IN PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE COMPANY OR RELATING TO THE OFFER UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS OFFER SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-OFFER ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE OFFER HAVE BEEN GIVEN.**

3. **WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. – NOTED FOR COMPLIANCE**

4. **WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE COMPANY.**

5. **WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISO TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT PROSPECTUS.**

6. **WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.**

Disclaimer Clause of the SME Platform of BSE

As required, a copy of the Draft Prospectus shall be submitted to the SME Platform of BSE. The Disclaimer Clause as intimated by the SME Platform of BSE to us, post scrutiny of the Draft Prospectus, shall be included in the Prospectus prior to the filing with RoC.

Disclaimer from our Company, Selling Shareholders and the Lead Manager

Our Company, its Directors, the Selling Shareholders and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

CAUTION

The Lead Manager accept no responsibility, save to the limited extent as provided in the MOU for Offer Management entered into among the Lead Manager, our Company and the Selling Shareholders dated September 20, 2015 the Underwriting Agreement dated September 21, 2015 entered into among the Underwriters, our Company and the Selling Shareholders and the Market Making Agreement dated September 20, 2015 entered into among the Market Maker, Lead Manager and our Company.

All information shall be made available by us and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres or elsewhere.

Note:

Investors who apply in the Offer will be required to confirm and will be deemed to have represented to our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India including Indian nationals resident in India (who are not minors), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. The Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause under Rule 144A of the U.S. Securities Act

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

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

Filing

The Draft Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the offer document in term of Reg. 106 (O) (1). However, a copy of the Prospectus shall be filed with SEBI at Corporation Finance Department, Plot No. C4 - A, "G" Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

A copy of the Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered to the RoC situated at 100, Everest, Marine Drive, Mumbai – 400 002.

Listing

In terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, there is no requirement of obtaining In-Principle approval of the SME Platform of BSE. However, application shall been made to SME Platform of BSE for obtaining permission for listing of the Equity Shares being offered and sold in the Offer on its SME Platform after the allotment in the Offer. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. The allotment letters shall be issued or application money shall be refunded within fifteen days from the closure of the Offer or such lesser time as may be specified by Securities and Exchange Board or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period as prescribed under Section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within 12 Working Days of the Offer Closing Date.

The Company has obtained approval from BSE vide letter dated [●] to use the name of BSE in this Offer document for listing of equity shares on SME Platform of BSE.

Price Information of past issues handled by the Lead Manager

Sr. No	Issue Name	Issue size (₹ in lakhs)	Issue Price (₹)	Listing date	Opening price on listing date (₹)	Closing price on listing date (₹)	% Change in Price on listing date (Closing) vs. Issue Price	Benchmark index on listing date (Closing)	Closing price as on 10th calendar day from listing day	Benchmark index as on 10th calendar day from listing day (Closing)	Closing price as on 20th calendar day from listing day	Benchmark index as on 20th calendar day from listing day (Closing)	Closing price as on 30th calendar day from listing day	Benchmark index as on 30th calendar day from listing day (Closing)
1.	AGI Infra Ltd.	1,499.04	54.00	27/03/15	54.40	54.65	1.20%	27,458.64	54.70	28,504.46	55.25	28,666.04	56.25	27,437.94
2.	Vishal Fabrics Ltd.	1,563.30	45.00	20/08/14	45.20	46.90	4.22%	26,314.29	48.00	26,638.11	51.50	27,057.41	50.50	27,090.42
3.	Dhanuka Commercial Ltd.	444.00	10.00	11/06/14	9.75	9.75	(2.50)%	25,473.89	8.90	25,105.51	8.75	25,516.35	9.75	25,024.35
4.	Karnimata Cold Storage Ltd.	303.60	20.00	18/03/14	29.05	30.00	50.00%	21,832.61	22.15	22,339.97	22.15	22,343.45	22.15	22,628.84
5.	Suyog Telematics Ltd.	453.00	25.00	22/01/14	25.20	25.25	1.00%	21,337.67	25.20	20,513.85	25.00	20,363.37	25.50	20,700.75
6.	Stellar Capital Services Ltd.	900.00	20.00	01/11/13	20.10	19.10	(4.50)%	21,196.81	16.90	20,666.15	15.30	20,635.13	14.55	20,791.93
7.	S R G Securities Finance Ltd.	501.60	20.00	29/10/13	23.90	24.25	21.25%	20,929.01	20.50	20,666.15	20.10	20,850.74	20.00	20,425.02
8.	Kushal Tradelink Ltd.	2,774.80	35.00	04/09/13	35.00	35.80	2.29%	18,567.55	35.30	19,732.76	35.30	19920.21	43.10	19915.95
9.	India Finsec Ltd.	600.00	10.00	11/06/13	10.00	10.50	5.00%	19,143.00	9.55	19,245.70	10.00	18,629.15	10.00	18,629.15

Sr. No	Issue Name	Issue size (₹ in lakhs)	Issue Price (₹)	Listing date	Opening price on listing date (₹)	Closing price on listing date (₹)	% Change in Price on listing date (Closing) vs. Issue Price	Benchmark index on listing date (Closing)	Closing price as on 10th calendar day from listing day	Benchmark index as on 10th calendar day from listing day (Closing)	Closing price as on 20th calendar day from listing day	Benchmark index as on 20th calendar day from listing day (Closing)	Closing price as on 30th calendar day from listing day	Benchmark index as on 30th calendar day from listing day (Closing)
10.	SRG Housing Finance Ltd.	700.80	20.00	11/09/12	20.30	20.30	1.50%	17,852.95	21.00	18,349.25	20.15	18,823.91	20.10	18,804.75

Summary Statement of Disclosure

Financial Year	*Total no. of IPOs*	*Total Funds Raised (₹ in lakhs)*	*Nos. of IPOs trading at discount on listing date*			*Nos. of IPOs trading at premium on listing date*			*Nos. of IPOs trading at discount as on 30th calendar day from listing day*			*Nos. of IPOs trading at premium as on 30th calendar day from listing day*		
			Over 50%	*Between 25-50%*	*Less than 25%*	*Over 50%*	*Between 25-50%*	*Less than 25%*	*Over 50%*	*Between 25-50%*	*Less than 25%*	*Over 50%*	*Between 25-50%*	*Less than 25%*
2015-16	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2014-15	3	3,506.34	-	-	1	-	-	2	-	-	1	-	-	2
2013-14	6(1)	5,533.00	-	-	1	-	1	4	-	1	-	-	-	3

(1)As on the 30th Calendar day from the listing day, the price of India Finsec Limited and S R G Securities Finance Ltd. is exactly equal to its Issue Price and hence it is neither trading at Premium or Discount.

Notes:
(a) In case the 10th, 20th and 30th calendar day from the date of listing is a holiday, or if the stock was not traded on the said calendar days from the date of listing, the share price and benchmark index is taken of the immediately preceding working day.
(a) (b) BSE SENSEX has been considered as the benchmark index.

Track record of past issues handled by the Lead Manager

For details regarding the track record of the Lead Manager to the Offer as specified in Circular reference CIR/MIRSD/1/ 2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Lead Manager – *www.afsl.co.in*.

Consents

Consents in writing of: (a) the Directors, the Statutory Auditors, Bankers to our Company; and (b) the Lead Manager, Escrow Collection Bankers, Registrar to the Offer, the Legal Advisors to the Offer, to act in their respective capacities, have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Section 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, M/s. V. N. Purohit & Co., Chartered Accountants, Independent Auditors (Peer Review Certified) have provided their written consent to the inclusion of their report dated September 29, 2015 on Restated Financial Statements, included in this Draft Prospectus and such consent and reports have not been withdrawn as on date of this Draft Prospectus.

Rahul Jimulia & Associates, Chartered Accountants, Statutory Auditors of the Company have provided their written consent to the inclusion of their report on Statement of Tax benefits dated September 29, 2015, included in this Draft Prospectus and such consent and reports have not been withdrawn as on date of this Draft Prospectus.

Expert Opinion

Our Company has received written consent from its Auditor namely, M/s. V. N. Purohit & Co., Chartered Accountants and M/s. Rahul Jimulia & Associates, Chartered Accountants, to include its name as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as "Expert" as defined under section 2(38) of the Companies Act, 2013 in respect of the reports on the Restated Financial Statements dated September 29, 2015 and the Statement of Tax Benefits dated September 29, 2015, issued by them respectively, included in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

OFFER RELATED EXPENSES

The expenses of this Offer include, among others, underwriting and management fees, market making fees, selling commissions, SCSB's commission / fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees.

All expenses relating to the Offer, as mentioned below, will be borne between the Selling Shareholders in proportion to the Equity Shares being offered by each of them for sale in the Offer.

Sr. No.	Particulars	Estimated expense (₹ in lakhs)	As a % of total estimated Offer expense	As a % of total Offer size
1	Offer Management fees including fees and reimbursements of Market Making fees, selling commissions, brokerages, and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	40.90	76.59	3.19
2	Printing & Stationery, Distribution, Postage, etc.	2.50	4.68	0.20
3	Advertisement and Marketing Expenses	2.50	4.68	0.20
4	Stock Exchange Fees, Regulatory and other Expenses	7.50	14.05	0.59
	Total	**53.40**	**100.00**	**4.18**

Commission Payable to Non Syndicate Registered Brokers

Subject to the cap as mentioned below, the commission payable to the Non Syndicate Registered Brokers shall be as follows:

- Size of the Application Form Commission Payable up to ₹ 100,000: ₹ 10 per Application Form which is considered eligible for Allotment in the Offer.
- Greater than ₹ 100,000: ₹ 15 per Bid cum Application Form which is considered eligible for Allotment in the Offer.

The total Non Syndicate Registered Broker Commission to be paid to the Non Syndicate Registered Brokers for the Application Forms procured by them which are considered eligible for Allotment in the Offer ("Eligible Application Forms") calculated as per the table above, shall be capped at 0.25% and 0.15% of the product of the number of Equity Shares Allotted to Retail Individual Investors and Non-Institutional Investors, respectively, and the Offer Price in relation to the Eligible Application Forms procured by them (the "Maximum Brokerage"). In case the total Non Syndicate Registered Broker Commission payable to the Non Syndicate Registered Brokers exceeds the Maximum Brokerage, then the commission paid to the Non Syndicate Registered Brokers per Eligible Application Form as per the table above would be proportionately adjusted such that the total Non Syndicate Registered Broker Commission payable to them does not exceed the Maximum Brokerage. The terminal from which the Application has been uploaded will be taken into account in order to determine the commission payable to the relevant Non Syndicate Registered Broker. The Non Syndicate Registered Broker Commission payable to Non Syndicate Registered Brokers shall be inclusive of all taxes.

Fees, Brokerage and Selling Commission Payable to the Lead Manager

The total fees payable to the Lead Manager (including underwriting commission and selling commission) is as stated in the MOU dated September 20, 2015, the Underwriting Agreement dated September 21, 2015 and the Market Making Agreement dated September 20, 2015 among the Company and the Lead Manager and other parties, a copy of which will be made available for inspection at our Registered Office.

Fees Payable to the Registrar to the Offer

The fees payable to the Registrar to the Offer, for processing of application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the MoU between the Company and the Registrar to the Offer dated September 22, 2015.

The Registrar to the Offer 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 Offer to enable it to send refund orders or Allotment advice by registered post/speed post.

Previous Public and Rights Issues during the Last Five Years

Ajmera Pharmasure Limited has not made any previous rights and public issues, and we are an "Unlisted Company" in terms of the SEBI (ICDR) Regulations and this Offer is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations.

Previous Issues of Equity Shares otherwise than for Cash

Except as stated in the chapter titled "*Capital Structure*" beginning on page no. 51 of this Draft Prospectus, we have not issued any Equity Shares for consideration other than for cash.

Commission and Brokerage Paid on Previous Issues

Since this is the Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

Details of Capital Issues by Companies under the Same Management

There are no companies under the same management that has made any public issue (including any rights issues or composite issues to the public) during the last three years.

Performance vis-à-vis Objects

Our Company

Our Company has not made any previous rights and public issues.

Listed Group Companies / Subsidiaries / Associate Companies

None of our group companies, subsidiaries or associates are listed on any stock exchange.

Outstanding Debentures, Bonds, Redeemable Preference Shares and other Instruments Issued by the Company

The Company has no outstanding debentures or bonds. The Company has not issued any redeemable preference shares or other instruments in the past.

Stock Market Data for our Equity Shares

This being an Initial Public Offer of our Company, the Equity Shares of our Company are not listed on any stock exchange.

Mechanism for Redressal of Investor Grievances

The Company has appointed Karvy Computershare Private Limited as the Registrar to the Offer, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Offer may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Offer, namely Karvy Computershare Private Limited, will handle investor's grievances pertaining to the Offer. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-coordinating with the Registrar to the Offer in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Offer or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Board by a resolution on July 17, 2015 constituted a Stakeholders Relationship Committee. The composition of the Shareholders/Investors Grievance Committee is as follows:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Deepak Shah	Non-Executive Independent Director	Chairman
Mr. Utpal Desai	Non-Executive Independent Director	Member
Mrs. Minal Ajmera	Non-Executive Non-Independent Director	Member

For further details, please refer the chapter titled "*Our Management*" beginning on page no. 118 of this Draft Prospectus.

Status of Investor Complaints

We confirm that we have not received any investor compliant during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

Disposal of Investor Grievances by Listed Companies under the same Management as the Company

No company under the same management as the Company has made any public issue (including any rights issues to the public) during the last three years and hence there are no pending investor grievances.

Change in Auditors

There has been no change in auditors of our Company in the last 3 years except as stated below:

Sr. No.	Date	From	To
1.	September 30, 2013	D. D. Jimulia & Co, Chartered Accountants	Rahul Jimulia & Co., Chareted Accountant

Capitalisation of Reserves or Profits

Except as stated in the chapter titled "*Capital Structure*" beginning on page no. 51 of this Draft Prospectus, our Company has not capitalised our reserves or profits during the last five (5) years.

Revaluation of Assets

We have not revalued our assets in the last five (5) years.

SECTION IX – OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2009, our Memorandum and Articles of Association, the terms of this Draft Prospectus, the Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable, or such other conditions as may be prescribed by SEBI, RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.

Ranking of Equity Shares

The Equity Shares being offered shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment.

For further details, please refer the section titled *"Main Provisions of the Articles of Association of our Company"* beginning on page no. 257 of this Draft Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. For further details, please refer the chapter titled *"Dividend Policy"* beginning on page no. 146 of this Draft Prospectus.

Face Value and Offer Price

The Equity Shares having a face value of ₹ 10 each are being offered in terms of this Draft Prospectus at the price of ₹ 85 per Equity Share. The Offer Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled *"Basis for Offer Price"* beginning on page no. 64 of this Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- ✓ Right to receive dividend, if declared;
- ✓ Right to attend general meetings and exercise voting rights, unless prohibited by law;
- ✓ Right to vote on a poll either in person or by proxy;
- ✓ Right to receive offer for rights shares and be allotted bonus shares, if announced;
- ✓ Right to receive surplus on liquidation;
- ✓ Right of free transferability; and
- ✓ Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the listing agreements with the Stock Exchange and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, etc., please refer the section titled *"Main Provisions of Articles of Association of our company"* beginning on page no. 257 of this Draft Prospectus.

Minimum Application Value; Market Lot and Trading Lot

As per the provisions of the Depositories Act, 1996, the shares of a Body Corporate can be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode.

As per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in Dematerialized form only.

Trading of the Equity Shares will happen in the minimum contract size of 1,600 Equity Shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of 1,600 Equity Share subject to a minimum allotment of 1,600 Equity Shares to the successful applicants.

Minimum Number of Allottees

The minimum number of allottees in this Offer shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Offer and the monies collected shall be refunded within 12 Working days of closure of Offer.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 72 (1) & 72 (2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- ✓ to register himself or herself as the holder of the Equity Shares; or
- ✓ to make such transfer of the Equity Shares, as the deceased holder could have made

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with. In case the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Minimum Subscription

This Offer is not restricted to any minimum subscription level. This Offer is 100% underwritten. If a subscription of 100% of the Offer through this Offer Document including devolvement of Underwriters is not received within sixty days from the date of closure of the Offer, our Company shall forthwith refund the entire subscription amount received.

If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under section 40 of the Companies Act, 2013.

Arrangements for Disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of 1,600 shares. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE.

Restrictions, if any, on transfer and transmission of shares or debentures and on their consolidation or splitting

For a detailed description in respect of restrictions, if any, on transfer and transmission of shares and on their consolidation / splitting, please refer the section titled "*Main Provisions of the Articles of Association of our Company*" beginning on page no. 257 of this Draft Prospectus.

Option to receive Equity Shares in Dematerialized Form

As per Section 29(1) of the Companies Act, 2013, allotment of Equity Shares will be made only in dematerialized form. As per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in Dematerialised form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Platform of BSE.

Migration to Main Board

In accordance with the BSE Circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the SME Platform of the BSE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter XB of the SEBI (ICDR) Regulation, 2009, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

- If the Paid up Capital of the company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

- If the Paid up Capital of the company is more than ₹ 10 crores but below ₹ 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares offered through this Offer are proposed to be listed on the SME Platform of BSE (SME Exchange), wherein the Lead Manager to this Offer shall ensure compulsory Market Making through the registered Market Maker of the SME Exchange for a minimum period of three years from the date of listing on the SME Platform of BSE.

For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker, please refer the chapter titled *"General Information - Details of the Market Making Arrangement for this Offer"* beginning on page no. 49 of this Draft Prospectus.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Jurisdiction

Exclusive jurisdiction for the purpose of this Offer is with the competent courts / authorities in Mumbai, Maharashtra. The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

OFFER STRUCTURE

This Offer is being made in terms of Regulation 106 (M) (1) of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, a Company whose post issue/offer face value capital does not exceed ten crore rupees, shall issue/offer shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such this Offer, please refer the chapters titled "*Terms of the Offer*" and "*Offer Procedure*" beginning on page nos. 228 and 234 respectively, of this Draft Prospectus.

Following is the Offer structure:

Public Offer of 15,04,000 Equity Shares of ₹ 10 each (the "Equity Shares") for cash at a price of ₹ 85 per Equity Share (including a Share premium of ₹ 75 per Equity Share) aggregating to ₹ 1,278.40 lakhs ("the Offer") by Ajmera Pharmasure Limited ("APL" or the "Company").

The Offer comprises a Net Offer to Public of 14,24,000 Equity Shares of ₹ 10 each ("the Net Offer"), and a reservation of 80,000 Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion").

Particulars of the Offer	Net Offer to Public(1)	Market Maker Reservation Portion
Number of Equity Shares available for allocation	14,24,000 Equity Shares	80,000 Equity Shares
Percentage of Offer Size available for allocation	94.68% of the Offer Size	5.32% of the Offer Size
Basis of Allotment	Proportionate subject to minimum allotment of 1,600 Equity Shares and further allotment in multiples of 1,600 Equity Shares each.	Firm Allotment
Mode of Application(2)	For QIB and NII Applicants the application must be made compulsorily through the ASBA Process. The Retail Individual Applicant may apply through the ASBA or the Physical Form.	Through ASBA Process Only
Minimum Application Size	*For QIB and NII:* Such number of Equity Shares in multiples of 1,600 Equity Shares such that the Application Value exceeds ₹ 2,00,000 *For Retail Individuals:* 1,600 Equity Shares	80,000 Equity Shares
Maximum Application Size	*For QIB and NII:* Such number of Equity Shares in multiples of 1,600 Equity Shares such that the Application Size does not exceed 14,24,000 Equity Shares. *For Retail Individuals:* Such number of Equity Shares in multiples of 1,600 Equity Shares such that the Application Value does not exceed ₹ 2,00,000	80,000 Equity Shares
Mode of Allotment	Dematerialized Form	Dematerialized Form
Trading Lot	1,600 Equity Shares	1,600 Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.

Particulars of the Offer	Net Offer to Public[1]	Market Maker Reservation Portion
Terms of Payment	The entire Application Amount will be payable at the time of submission of the Application Form.[3]	

[1] 50% of the shares offered are reserved for allocation to applications below or equal to ₹ 2 lakhs and the balance for higher amount applications.
[2] In case the Application Form is submitted in joint names, the Applicants should ensure that the demat account is also held in the same joint names and are in the same sequence in which they appear in the Application Form.
[3] In case of ASBA Applications, the SCSB shall be authorised to block such funds in the bank account of the Applicants that are specified in the Application Form.

Withdrawal of the Offer

Our Company and the Selling Shareholders, in consultation with the Lead Manager, reserves the right not to proceed with the Offer at any time before the Offer Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Offer is also subject to obtaining the following:

i. The final listing and trading approvals of BSE for listing of Equity Shares offered through this Offer on its SME Platform, which the Company shall apply for after Allotment; and

ii. The final RoC approval of the Prospectus after it is filed with the RoC.

In case, the Company and the Selling Shareholders wishes to withdraw the Offer after Offer Opening but before allotment, our Company will give public notice giving reasons for withdrawal of Offer. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Lead Manager, through the Registrar to the Offer, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company and the Selling Shareholders withdraw the Offer after the Offer Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

Offer Programme

OFFER OPENING DATE	[●]
OFFER CLOSING DATE	[●]

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Offer Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Offer Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

OFFER PROCEDURE

Fixed Price Offer Procedure

This Offer is being made under Regulation 106 (M) (1) of Chapter XB of SEBI (ICDR) Regulations, 2009 via Fixed Price Process. Applicants are required to submit their Applications to the Selected Branches / Offices of the Escrow Bankers to the Offer who shall duly submit them to the Registrar of the Offer. In case of QIB Applicants, our Company and the Selling Shareholders in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing. In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications based on technical grounds only.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic application system of the stock exchanges by the Brokers (including sub-brokers) do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

Applicants are required to ensure that the PAN (of the sole/ first Applicant) provided in the Application Form is exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held. In case of joint Applications, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders.

Application Form

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Prospectus. Upon completing and submitting the Application Form to the Bankers, the Applicant is deemed to have authorized our Company to make the necessary changes in the Draft Prospectus and the Application Form as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Applicant.

ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSBs authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA applicants. Upon completing and submitting the Application Form for ASBA Applicants to the SCSB, the ASBA Applicant is deemed to have authorized our Company to make the necessary changes in the Prospectus and the ASBA as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the ASBA Applicant.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA and Non-ASBA)	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA and Non-ASBA)	Blue

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 1, 2010 all the investors can apply through ASBA process and w.e.f. May 02, 2011, the Non-Institutional Applicants and the QIB Applicants have to compulsorily apply through the ASBA Process.

Who Can Apply?

1. Indian nationals resident in India, who are not minors (except through their Legal Guardians), in single or joint names (not more than three);

2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: ―Name of Sole or First Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;

3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorised to invest in equity shares;

4. Mutual Funds registered with SEBI;

5. Eligible NRIs on a repatriation basis or on a non-repatriation basis subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Offer;

6. Indian financial institutions, scheduled commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);

7. FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual under the QIB portion;

8. Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional Applications portion;

9. VCFs registered with SEBI;

10. FVCIs registered with SEBI;

11. Eligible QFIs;

12. Multilateral and bilateral development financial institutions;

13. State Industrial Development Corporations;

14. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;

15. Scientific and/or industrial research organizations authorized in India to invest in equity shares;

16. Insurance companies registered with Insurance Regulatory and Development Authority;

17. Provident Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;

18. Pension Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;

19. Limited liability partnerships;

20. National Investment Fund set up by resolution no. F.NO.2/3/2005-DDII dated November 23, 2005 of the GoI, published in the Gazette of India;

21. Nominated Investor and Market Maker

22. Insurance funds set up and managed by the army, navy or air force of the Union of India and by the Department of Posts, India

23. Any other person eligible to Apply in this Offer, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

Applications not to be made by:

1. Minors (except through their Legal Guardians)

2. Partnership firms or their nominations

3. Foreign Nationals (except NRIs)

4. Overseas Corporate Bodies

Availability of Prospectus and Application Forms:

The Memorandum Form 2A containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Offer, Registrar to the Offer and the collection Centres of the Bankers to the Offer, as mentioned in the Application Form. The application forms may also be downloaded from the website of SME Platform of BSE Limited i.e. www.bsesme.com and from the website of BSE Limited i.e. www.bseindia.com.

Option to Subscribe in the Offer

a. Investors will get the allotment of specified securities only in dematerialized form.
b. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.
c. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

Participation by Associates of Lead Manager

Except for the Underwriting Obligations, the Lead Manager shall not be allowed to subscribe to this Offer in any manner. However, associates and affiliates of the Lead Manager may subscribe to or purchase Equity Shares in the Offer, where the allocation is on a proportionate basis.

Application by Indian Public including eligible NRIs applying on Non-Repatriation

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/ Institutions and not in the names of Minors, Foreign Nationals, Non Residents (except for those applying on non-repatriation), Trusts (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families, Partnership firms or their nominees. In case of HUFs application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of securities exceeding the number of securities offered to the public.

Application by Mutual Funds

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

Multiple Applications: In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

Applications by Eligible NRIs

Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs intending to make payment through freely convertible foreign exchange and applying on a repatriation basis could make payments through Indian Rupee drafts purchased abroad or cheques or bank drafts or by debits to their Non-Resident External ("NRE") Account or Foreign Currency Non-Resident ("FCNR") Accounts, maintained with banks authorised by the RBI to deal in foreign exchange. Eligible NRIs applying on a repatriation basis are advised to use the Application Forms meant for Non-Residents, accompanied by a bank certificate confirming that the payment has been made by debiting to the NRE or FCNR account, as the case may be. Payment for Applications by non-resident Applicant, applying on a repatriation basis will not be accepted out of Foreign Currency Non-Resident ("NRO") accounts.

In case of Application by Eligible NRIs applying on non-repatriation basis, the payments must be made through Indian Rupee Drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in NRE Accounts or FCNR Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance or out of a NRO Account of a Non-Resident Applicant applying on a non-repatriation basis. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or FCNR or NRO Account.

Applications by Eligible NRIs for a payment amount of up to ₹ 2,00,000 would be considered under the Retail Portion for the purposes of allocation and Applications for a payment amount of more than ₹ 2,00,000 would be considered under Non-Institutional Portion for the purposes of allocation.

Applications by FPIs, FIIs and QFIs

On January 07, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely 'foreign institutional investors' and 'qualified foreign investors' will be subsumed under a new category namely 'foreign portfolio investors' or 'FPIs'. RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. Accordingly, such FIIs can participate in this Offer in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations. Further, a QFI can continue to buy, sell or otherwise deal in securities until January 6, 2015 or until the QFI obtains a certificate of registration as FPI, whichever is earlier. Such QFIs shall be eligible to participate in this Offer in accordance with Schedule 8 of the FEMA Regulations and are required to Apply under the Non-Institutional Applicants category.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. As of now, in accordance with the foreign investment limits applicable to us the total foreign investment including FII investment cannot exceed the sectoral cap applicable to us (being 100% of our total post Offer paid-up capital).
Further, the existing individual and aggregate investment limits for QFIs in an Indian company are 5% and 10% of the paid up capital of an Indian company, respectively.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

Applications by SEBI registered Venture Capital Funds and Foreign Venture Capital Investors

As per the current regulations, the following restrictions are applicable for SEBI Registered Venture Capital Funds and Foreign Venture Capital Investors:

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI.

Accordingly, whilst the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund, a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital Investors can invest only up to 33.33% of the investible funds by way of subscription to an initial public offer.

Applications by Limited Liability Partnerships

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, as amended ("LLP Act") a certified copy of certificate of registration issued under the LLP Act must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

Applications by Insurance Companies

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment Scheme) (5th Amendment) Regulations, 2013, as amended (the "IRDA Investment Regulations"), are broadly set forth below:

a) equity shares of a company: the least of 10% of the investee company‘s subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

b) the entire group of the investee company: the least of 15% of the respective fund in case of a life insurer or a general insurer or reinsurer or 15% of investment assets in all companies belonging to the group; and

c) The industry sector in which the investee company operates: the least of 15% of the respective fund in case of a life insurer or a general insurer or reinsurer or 15% of investment assets.

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in the infrastructure and housing sectors, i.e. December 26, 2008, providing, among other things, that the exposure of an insurer to an infrastructure company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub ceilings.

Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

Application by Provident Funds/ Pension Funds

In case of applications made by provident funds/ pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

Application under Power of Attorney

In case of applications made pursuant to a power of attorney by Limited Companies, Corporate Bodies, Registered Societies, Mutual Funds, Eligible QFIs, Insurance Companies and Provident Funds with minimum corpus of ₹ 25

Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

a) With respect to applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

b) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

c) With respect to applications made by provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores, a certified copy of a certificate from a Chartered Accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

Our Company and the Selling Shareholders in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company, the Lead Manager may deem fit.

Our Company and the Selling Shareholders, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Offer that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / refund orders / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Offer shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. Our Company, the Selling Shareholders and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

Maximum and Minimum Application Size

a) For Retail Individual Applicants:

The Application must be for a minimum of 1,600 Equity Shares and in multiples of 1,600 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed ₹ 2,00,000.

b) For Other Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds ₹ 2,00,000 and in multiples of 1,600 Equity Shares thereafter. An Application cannot be submitted for more than the Offer Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Applicant cannot withdraw or lower the size of their Applications (both in terms of number of Equity Shares applied for and Application Amount) at any stage.**

The identity of QIBs applying in the Offer under the QIB Portion shall not be made public during the subscription Period. In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

Information for the Applicants

a) Our Company will file the Prospectus with the RoC at least 3 (three) days before the Offer Opening Date.

b) The Lead Manager will circulate copies of the Prospectus along with the Application Form to potential investors.

c) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office or from the Corporate Office of the Lead Manager.

d) Applicants who are interested in subscribing for the Equity Shares should approach the Lead Manager or their authorized agent(s) to register their Applications.

e) Applications made in the name of Minors and/or their nominees shall not be accepted (except through their Legal Guardians).

f) Applicants are requested to mention the application form number on the reverse of the instrument to avoid misuse of instrument submitted along with the application for shares. Applicants are advised in their own interest, to indicate the name of the bank and the savings or current a/c no in the application form. In case of refund, the refund order will indicate these details after the name of the payee. The refund order will be sent directly to the payee's address.

OFFER PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS

This section is for the information of investors proposing to subscribe to the Offer through the ASBA process. Our Company, then Selling Shareholders and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on http://www.sebi.gov.in. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

ASBA Process

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant (“ASBA Account”) is maintained. The Application Form shall bear the stamp of the SCSBs and if not, the same shall be rejected.

The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Offer and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Offer Account, or until withdrawal/failure of the Offer or until withdrawal/rejection of the ASBA Application, as the case may be. The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Offer shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Offer Account.

In case of withdrawal/failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Lead Manager. ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

Who can apply?

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 1, 2010 all the investors can apply through ASBA process and w.e.f May 02, 2011, the Non-Institutional applicants and the QIB Applicants have to compulsorily apply through the ASBA Process.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorize the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB. Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted. After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date. On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Offer Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Offer.

The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Offer and consequent transfer of the Application Amount against allocated shares to the ASBA Public Offer Account, or until withdrawal/failure of the Offer or until rejection of the ASBA Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Offer, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Offer Account and shall unblock excess amount, if any in the ASBA Account. However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Offer by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Offer, in the event of withdrawal/failure of the Offer or rejection of the ASBA Application, as the case may be.

ESCROW MECHANISM

For details of the escrow mechanism and payment instructions, please refer chapter titled *"Offer Procedure – Payment Instructions"* on page no. 245 of this Draft Prospectus.

ELECTRONIC REGISTRATION OF APPLICATIONS

1. The Broker / Sub Broker and SCSBs will register the Applications using the on-line facilities of the Stock Exchanges. There will be at least one on-line connectivity facility in each city, where a stock exchange is located in India and where Applications are being accepted. The Lead Manager, our Company and the Registrar are not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Brokers and the SCSBs, (ii) the Applications uploaded by the Brokers and the SCSBs, (iii) the Applications accepted but not uploaded by the Brokers and the SCSBs or (iv) with respect to ASBA Applications, Applications accepted and uploaded without blocking funds in the ASBA Accounts.

2. The SCSBs shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the SCSBs, (ii) the Applications uploaded by the SCSBs, (iii) the Applications accepted but not uploaded by the SCSBs and (iv) with respect to Applications by ASBA Applicants, Applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Applications uploaded by the SCSBs, the full Application Amount has been blocked in the relevant ASBA Account.

3. In case of apparent data entry error either by the Broker / Sub Broker or the collecting bank in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to Stock Exchange(s).

4. The Brokers / Sub Brokers and SCSBs will undertake modification of selected fields in the Application details already uploaded within one Working Day from the Offer Closing Date.

5. The Stock Exchanges will offer an electronic facility for registering Applications for the Offer. This facility will be available with the Brokers and the SCSBs during the Offer Period. The Brokers / Sub Brokers and the Designated Branches can also set up facilities for off-line electronic registration of Applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis. On the Offer Closing Date, the Brokers and the Designated Branches shall upload the Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Brokers / Sub Brokers on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Offer Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation.

6. At the time of registering each Application and each ASBA Application submitted by an ASBA Applicant, the Brokers and the Designated Branches shall enter the following details of the investor in the on-line system, as applicable:

   - Name of the Applicant
   - IPO Name
   - Application Form number
   - Investor Category;
   - PAN (of First Applicant, if more than one Applicant);
   - DP ID of the demat account of the Applicant;
   - Client Identification Number of the demat account of the Applicant;
   - Numbers of Equity Shares Applied for;
   - Cheque Details in case of Applications other than ASBA Application and Bank Account details in case of ASBA Applicants;
   - Location of the Banker to the Offer or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
   - Bank account number.

   In case of submission of the Application by an ASBA Applicant through the Electronic Mode, the ASBA Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.

7. A system generated TRS will be given to the Applicant as a proof of the registration of the application. It is the Applicant's responsibility to obtain the TRS from the Brokers / Sub Brokers or the Designated Branches. The registration of the Application by the Brokers / Sub Brokers or the Designated Branches does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.

8. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.

9. In case of QIB Applicants, our Company and Selling Shareholders, in consultation with the Lead Manager have the right to accept the Application or reject it. However, the rejection should be made at the time of receiving the Application and only after assigning a reason for such rejection in writing. In case on Non-Institutional Applicants and Retail Individual Applicants, Applications would be rejected on the technical grounds.

10. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

11. Only Applications that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/Allotment. The Brokers / Sub Brokers will be given up to one day after the Offer Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Offer Period, after which the Registrar will receive this data from the Stock Exchanges and will validate the electronic Application details with depository's records. In case no corresponding record is available with depositories, which matches the three parameters, namely DP ID, Beneficiary Account Number and PAN, then such Applications are liable to be rejected.

SIGNING OF UNDERWRITING AGREEMENT AND ROC FILING

Our Company, the Selling Shareholders and the Underwriters have entered into an Underwriting Agreement dated September 21, 2015 as per the terms of Regulation 106P of the SEBI (ICDR) Regulations, 2009 amendments thereto from time to time.

Filing of the Prospectus with the RoC

Our Company will file a copy of the Prospectus with the RoC at 100, Everest, Marine Drive, Mumbai – 400002, as required under the Companies Act.

ANNOUNCEMENT OF PRE-OFFER ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013,the Company shall, after registering the Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper and one widely circulated Hindi language national daily newspaper. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Offer Price.

ISSUANCE OF A CONFIRMATION OF ALLOCATION NOTE ("CAN")

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Offer shall send to the Brokers a list of their Applicants who have been allocated Equity Shares in the Offer.

2. The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Offer. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant.

DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

1. Our Company will ensure that (i) the Allotment of Equity Shares; and (ii) credit to the successful Applicant's depositary account will be completed within 12 Working Days of the Offer Closing Date. After the funds are transferred from the Escrow Account to the Public Offer Account on the Designated Date, our Company will ensure the credit to the successful Applicant's depository account is completed within two Working Days from the date of Allotment.

2. In accordance with section 29 (1) of the Companies Act, 2013, Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.

3. Allottees will have the option to re-materialise the Equity Shares so allotted as per the provisions of the Companies Act and the Depositories Act.

Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be credited to their depository account pursuant to this Offer.

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;

- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form
- Do not apply on another Application Form after you have submitted an Application to the Bankers of the Offer.
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Selected Branches / Offices of the\ Banker to the Offer.
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Offer Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

Instructions for Completing the Application Form

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. ASBA Application Forms should bear the stamp of the SCSB's. ASBA Application Forms, which do not bear the stamp of the SCSB, will be rejected.

Applicants residing at places where the designated branches of the Banker to the Offer are not located may submit/mail their applications at their sole risk along with Demand Draft payable at Mumbai.

Applicant's Depository Account and Bank Details

Please note that, providing bank account details in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Offer will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants 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/ credit of refunds to Applicants at the Applicants sole risk and neither the Lead Manager or the Registrar or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Offer.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Offer, the required Demographic Details as available on its records.

Applications by Non-Residents including Eligible NRIs, FIIs and Foreign Venture Capital Funds on a repatriation basis

Applications and revision to Applications must be made in the following manner:

1. On the Application Form or the Revision Form, as applicable (Blue in colour), and completed in full in BLOCK LETTERS in ENGLISH in accordance with the instructions contained overleaf.

2. In a single name or joint names (not more than three and in the same order as their Depositary Participant Details).

3. Applications on a repatriation basis shall be in the names of individuals, or in the name of FIIs but not in the names of persons not competent to contract under the Indian Contract Act, 1872, as amended, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees.

Applications by Eligible NRIs for an amount of up to ₹ 200,000 would be considered under the Retail Portion for the purposes of allocation and Applications for an amount of more than ₹ 200,000 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 Applicants 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 Applicants so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Application Form. Our Company will not be responsible for loss, if any, incurred by the Applicant 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 Offer.

There is no reservation for Eligible NRIs and FIIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

PAYMENT INSTRUCTIONS

Escrow Mechanism for Applicants other than ASBA Applicants

Our Company shall open Escrow Accounts with one or more Escrow Collection Bank(s) in whose favour the Applicants (other than ASBA Applicants) shall make out the cheque or demand draft in respect of his or her Application and/or revision of the Application. Cheques or demand drafts received for the full Application Amount from Applicants in a certain category would be deposited in the Escrow Account.

The Escrow Collection Banks will act in terms of the Prospectus and the Escrow Agreement. The Escrow Collection Bank(s) for and on behalf of the Applicants shall maintain the monies in the Escrow Account. 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 Applicants. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Offer Account opened with the Public Offer Account Bank. The balance amount after transfer to the Public Offer Account shall be transferred to the Refund Account. Payments of refund to the Applicants shall also be made from the Refund Account as per the terms of the Escrow Agreement and the Prospectus.

The Applicants should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Escrow Collection Bank(s) and the Registrar to the Offer to facilitate collections from the Applicants.

Terms of Payment / Payment Instructions

The entire Offer Price of ₹ 85 per share is payable on application. In case of allotment of lesser number of Equity shares than the number applied, the Company shall refund the excess amount paid on Application to the Applicants.

Payments should be made by cheque, or 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 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.

A separate Cheque or Bank Draft should accompany each Application Form. Applicants should write the Share Application Number on the back of the Cheque /Draft. Outstation Cheques will not be accepted and applications accompanied by such cheques drawn on outstation banks are liable for rejection. Money Orders / Postal Notes will not be accepted.

Each Applicant shall draw a cheque or demand draft for the amount payable on the Application and/ or on allocation/ Allotment as per the following terms:

1) The payment instruments for payment into the Escrow Account should be drawn in favour of:

   - Indian Public including eligible NRIs applying on non-repatriation basis: "Escrow Account – APL – Public Offer – R".

   - In case of Non-Resident Retail Applicants applying on repatriation basis: "Escrow Account – APL – Public Offer – NR"

2) In case of Application by NRIs applying on 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 authorized 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 Applicant applying on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account.

3) Where an Applicant has been allocated a lesser number of Equity Shares than the Applicant has applied for, the excess amount, if any, paid on Application, after adjustment towards the balance amount payable by the Pay-In Date on the Equity Shares allocated will be refunded to the Applicant from the Refund Account.

4) On the Designated Date and no later than 12 Working days from the Offer Closing Date, the Escrow Collection Bank shall also refund all amounts payable to unsuccessful Applicants and also the excess amount paid on Application, if any, after adjusting for allocation / Allotment to the Applicants.

For Terms of Payment / Payment Instructions for ASBA Applicants, please refer "Offer Procedure for ASBA Applicants" under the chapter "Offer Procedure" on page no. 240 of this Draft Prospectus.

Payment by Stock Invest

In terms of the RBI 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 Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Offer.

SUBMISSION OF APPLICATION FORM

All Application Forms or Revision Forms duly completed and accompanied by account payee cheques or drafts shall be submitted to the Brokers / Sub Brokers at the time of submission of the Application. With regard to submission of Application Forms, please refer to the sub-section on "*Offer Procedure - Application Form*" on page no. 234 of this Draft Prospectus.

Kindly note that the Brokers / Sub Brokers at the Collection Centres may not accept the Application if there is no branch of the Escrow Collection Banks at that location.

No separate receipts shall be issued for the money payable on the submission of Application Form or Revision Form. However, the collection centre of the Brokers / Sub Brokers will acknowledge the receipt of the Application Forms or Revision Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant. In case of ASBA Applications, an acknowledgement from the Designated Branch or concerned Brokers / Sub Brokers, as the case may be, for submission of the Application Form may be provided.

OTHER INSTRUCTIONS

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Offer to detect multiple applications are given below:

a. All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications;

b. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications;

c. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "know your client" norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

Permanent Account Number or PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ("PAN") to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. Applications without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

Right to Reject Applications

In case of QIB Applicants, our Company and the Selling Shareholders in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants and Retail Individual Applicants who applied, our Company and the Selling Shareholders have a right to reject Applications based on technical grounds only.

Grounds for Technical Rejections

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

1. Amount paid does not tally with the amount payable for the highest value of Equity Shares applied 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. Application by persons not competent to contract under the Indian Contract Act, 1872 including minors (except through their Legal Guardians), insane persons;

4. PAN not mentioned in the Application Form;

5. GIR number furnished instead of PAN;

6. Applications for lower number of Equity Shares than specified for that category of investors;

7. Applications at a price other than the Fixed Price of the Offer;

8. Applications for number of Equity Shares which are not in multiples of 1,600;

9. Category not ticked;

10. Multiple Applications as defined in this Draft Prospectus;

11. In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;

12. Applications accompanied by Stock invest/ money order/ postal order/ cash;

13. Signature of sole Applicant is missing;

14. Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Offer Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;

15. In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;

16. Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;

17. Applications where clear funds are not available in the Escrow Account as per the final certificate from the Escrow Collection Bank(s);

18. Applications by OCBs;

19. Applications by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;

20. Applications not duly signed;

21. Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;

22. Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;

23. Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

24. Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;

25. Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of ₹ 2,00,000 received after 5.00 pm on the Offer Closing Date;

APPLICANTS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

Equity Shares in Dematerialised Form with NSDL or CDSL

As per the provisions of Section 29 (1) of the Companies Act, 2013, the allotment of Equity Shares in this Offer shall be only in de-materialised 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 the Company, the respective Depositories and the Registrar to the Offer:

1. Agreement dated [●] with NSDL, the Company and the Registrar to the Offer;

2. Agreement dated [●] with CDSL, the Company and the Registrar to the Offer.

All Applicants can seek allotment only in dematerialised mode. Applications from any Applicant without relevant details of his or her depository account are liable to be rejected.

1. An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

2. The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.

3. Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.

4. Names in the 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.

5. If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.

6. The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis-à-vis those with his or her Depository Participant.

7. 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.

8. 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.

9. Non-transferable allotment advice or refund orders will be directly sent to the Applicants by the Registrar to the Offer.

Communications

All future communications in connection with the Applications made in this Offer should be addressed to the Registrar to the Offer quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Offer where the Application was submitted and cheque or draft number and issuing bank thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, refund orders etc.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

Our Company shall ensure the dispatch of Allotment advice, refund orders (except for Applicants 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 Exchange within two working days of date of Allotment of Equity Shares.

In case of applicants who receive refunds through ECS, Direct Credit or RTGS, the refund instructions will be given to the clearing system within 12 working days from the Offer Closing Date. A suitable communication shall be sent to the Applicants receiving refunds through this mode within 12 working days of Offer 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 SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 12 working days of closure of the Offer.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1) Allotment of Equity Shares shall be made within 12 (twelve) working days of the Offer Closing Date;

2) 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 12 (twelve) working days of the Offer Closing Date would be ensured; and

The Company shall pay interest at 15% p.a. for any delay beyond the 12 (twelve) working days time period 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 the 12 (twelve) working days time.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who:

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under section 447 of the said Act."

BASIS OF ALLOTMENT

Allotment will be made in consultation with BSE Limited (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).

2) The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

3) For applications where the proportionate allotment works out to less than 1,600 equity shares the allotment will be made as follows:

   a) Each successful applicant shall be allotted 1,600 equity shares; and

   b) The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.

4) If the proportionate allotment to an applicant works out to a number that is not a multiple of 1,600 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 1,600 equity shares subject to a minimum allotment of 1,600 equity shares.

5) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 1,600 equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Draft Prospectus.

6) The above proportionate allotment of shares in an Offer that is oversubscribed shall be subject to the reservation for small individual applicants as described below:

   a) A minimum of 50% of the net offer of shares to the Public shall initially be made available for allotment to retail individual investors as the case may be.

   b) The balance net offer of shares to the public shall be made available for allotment to (i) individual applicants other than retails individual investors and (ii) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.

   c) The unsubscribed portion of the net offer to any one of the categories specified in (i) or (ii) shall/may be made available for allocation to applicants in the other category, if so required.

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

'Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with BSE.

The Executive Director / Managing Director of BSE - the Designated Stock Exchange in addition to the Lead Manager and the Registrar to this Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2009.

PROCEDURE AND TIME SCHEDULE FOR TRANSFER OF EQUITY SHARES

The Offer will be conducted through the "Fixed Price Method" pursuant to which the Brokers / Sub-Brokers and SCSBs will accept Applications for the Equity Shares during the Offer Period. The Offer Period will commence on[●] and expire on [●]. Following the expiration of the Offer Period, our Company, in consultation with the Lead Manager, will determine the basis of allotment and entitlement to allotment based on the applications received and subject to the confirmation by the Stock Exchanges. Successful Applicants will be provided with a confirmation of their allocation and will be required to pay unpaid amount, if any, for the Equity Shares within a prescribed time. The Prospectus will be filed with SEBI and the Registrar of Companies and will be made available to investors. The SEBI (ICDR) Regulations, 2009 require our Company to complete the allotment to successful Applicants within 12 days of the expiration of the Offer Period. The Equity Shares will then be credited and allotted to the investors' demat accounts maintained with the relevant depository participant. Upon approval by the Stock Exchanges, the Equity Shares will be listed and trading will commence.

LETTERS OF ALLOTMENT OR REFUND ORDERS OR INSTRUCTIONS TO THE SCSBs

The Registrar to the Offer shall give instructions for credit of the Allotted Equity Shares to the beneficiary account with depository participants within 12 Working Days from the Offer Closing Date. Applicants residing at the centres where clearing houses are managed by the RBI will get refunds through NECS only except where applicant is otherwise disclosed as eligible to get refunds through direct credit, RTGS and NEFT. Our Company shall ensure dispatch of refund orders, if any, by registered post or speed post at the sole or First Applicant's sole risk within 12 Working Days of the Offer Closing Date. Applicants 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 12 Working Days of closure of Offer Closing Date. In case of ASBA Applicants, the Registrar shall instruct the relevant SCSBs to, on the receipt of such instructions from the Registrar, unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within 12 Working Days of the Offer Closing Date.

REFUNDS

In case of Applicants receiving refunds through electronic transfer of funds, delivery of refund orders/ allocation advice/ CANs 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 Applicant in the Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Applicants sole risk and neither the Company, the Registrar, Escrow Collection Bank(s) nor the Lead Manager shall be liable to compensate the Applicant for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories, which matches three parameters, namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the Beneficiary's Identity, then such Applications are liable to be rejected.

Our Company and the Selling Shareholders in their absolute discretion, reserve the right to permit the holder of the power of attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of the refund order/ CANs/ allocation advice/ refunds through electronic transfer of funds, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the Applicant). In such cases, the Registrar shall use Demographic Details as given in the Application Form instead of those obtained from the depositories.

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 Applicants 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 Applicants so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Application Form. Our Company and the Selling Shareholders will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

Payment of Refund

Applicants must note that on the basis of name of the Applicants, Depository Participant's name, DP ID, Beneficiary Account number provided by them in the Application Form, the Registrar will obtain, from the Depositories, the Applicants' bank account details, including the nine digit Magnetic Ink Character Recognition ("MICR") code as appearing on a cheque leaf. Hence Applicants 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 Applicants' sole risk and neither the Company, the Selling Shareholders, the Registrar, Escrow Collection Bank(s), Bankers to the Offer nor the Lead Manager shall be liable to compensate the Applicants for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay.

MODE OF MAKING REFUNDS

The payment of refund, if any, would be done through various modes as given hereunder:

1) ***ECS*** *(Electronic Clearing System)* - Payment of refund would be done through ECS for applicants having an account at any of the centres where such facility has been made available specified by the RBI. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code from the Depositories.

2) ***Direct Credit*** - Applicants having bank accounts with the Refund Banker(s), as mentioned in the 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 the Company.

3) ***NEFT*** *(National Electronic Fund Transfer)* - 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.

4) For all other applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be through Speed Post/ Registered Post. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Escrow Collection Banks and payable at par at places where Applications are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Applicants.

INTEREST IN CASE OF DELAY IN DISPATCH OF ALLOTMENT LETTERS OR REFUND ORDERS/ INSTRUCTION TO THE SCSBS BY THE REGISTRAR

Our Company agrees that as far as possible allotment of securities offered to the public shall be made within twelve (12) days of the closure of public Offer. Our Company further agrees that it shall pay interest at the rate of fifteen (15) per cent per annum if the allotment letters or refund orders have not been despatched 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 to the clearing system in the disclosed manner within fifteen days from the date of the closure of the Offer. However applications received after the closure of Offer in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

UNDERTAKINGS BY OUR COMPANY

The Company undertakes the following:

1) That the complaints received in respect of this Offer shall be attended to by us expeditiously and satisfactorily;

2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 12 (twelve) working days of closure of the Offer;

3) Allotment letters shall be issued or application money shall be refunded within 12 (twelve) working days from the Offer Closing Date or such lesser time specified by SEBI, else application money shall be refunded forthwith, failing which interest shall be due to the applicants at the rate of 15% per annum for the delayed period;

4) That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by us;

5) That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 12 (twelve) working days of the Offer Closing Date, as the case may be, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

6) That the letter of allotment/ refund orders to the non resident Indians shall be dispatched within specified time;

7) That no further Issue / Offer of Equity Shares shall be made till the Equity Shares offered through this Draft Prospectus are listed or until the Application monies are refunded on account of non listing, under subscription etc.

8) That adequate arrangements shall be made to collect all Application Forms under the ASBA process and to consider them similar to non-ASBA Bids while finalising the Basis of Allotment;

9) That if our Company or Selling Shareholders do not proceed with the Offer, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

10) That if our Company and the Selling Shareholders withdraw the Offer after the Offer Closing Date, our Company shall be required to file a fresh offer document with the BSE, in the event our Company and/or any Selling Shareholder subsequently decides to proceed with the Offer;

UNDERTAKINGS BY THE SELLING SHAREHOLDERS

Each Selling Shareholder severally undertakes that:

1) That the Equity Shares being sold by them pursuant to the Offer, have been held by them for a period of at least one year prior to the date of filing the Draft Prospectus with BSE, are fully paid-up and are in dematerialised form;

2) That they are the legal and beneficial owner of, and has full title to, the Equity Shares being sold in the Offer;

3) That the Equity Shares being sold by them pursuant to the Offer are free and clear of any liens or encumbrances and shall be transferred to the eligible investors within the time specified under applicable law;

4) That they shall provide all reasonable co-operation as requested by our Company in relation to the completion of allotment and dispatch of the allotment advice and CAN, if required, and refund orders to the extent of the Equity Shares offered by it pursuant to the Offer;

5) That they shall provide such reasonable support and extend such reasonable co-operation as may be required by our Company and the Lead Manager in redressing of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Offer;

6) That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed in the Draft Prospectus and Prospectus shall be made available to the Registrar to the Offer by the Selling Shareholders;

7) That they shall provide such reasonable support and extend such reasonable co-operation as may be required by our Company in sending a suitable communication, where refunds are made through electronic transfer of funds, to the applicant within 12 (twelve) working days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

8) That they shall not have recourse to the proceeds of the Offer until final approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received;

9) That, if the Selling Shareholders do not proceed with the Offer after the Offer Closing Date, the reason thereof shall be given by our Company as a public notice within two days of the Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly. It shall extend all reasonable co-operation requested by our Company and the Lead manager in this regard;

10) That they shall not further transfer the Equity Shares except in the Offer during the period commencing from submission of the Draft Prospectus with BSE until the final trading approvals from all the Stock Exchange has been obtained for the Equity Shares Allotted/ to be Allotted pursuant to the Offer and shall not sell, dispose of in any manner or create any lien, charge or encumbrance on the Equity Shares offered by it in the Offer;

11) That they shall take all such steps as may be required to ensure that the Equity Shares being sold by it pursuant to the Offer are available for transfer in the Offer within the time specified under applicable law; and

12) That they shall comply with all applicable laws, in India including the Companies Act, the SEBI Regulations and the applicable circulars, guidelines and regulations issued by SEBI and BSE, each in relation to the Equity Shares offered by them in the Offer.

UTILIZATION OF OFFER PROCEEDS

All monies received out of the Offer shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act, 2013;

The Selling Shareholders shall not have recourse to the Offer Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

WITHDRAWAL OF THE OFFER

Our Company and the Selling Shareholders, in consultation with the Lead Manager, reserves the right not to proceed with the Offer at any time before the Offer Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Offer is also subject to obtaining the final listing and trading approvals of BSE for listing of Equity Shares offered through this Offer on its SME Platform, which the Company shall apply for after Allotment.

In case, our Company and/or the Selling Shareholders wish to withdraw the Offer after Offer Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Offer. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper. The Stock Exchanges where the Equity Shares are proposed to be listed shall also be informed promptly.

If the Company withdraws the Offer after the Offer Closing Date, the Company will be required to file a fresh Draft Offer Document with the Stock Exchange.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Foreign investment is allowed up to100% under automatic route in our Company.

India's current Foreign Direct Investment ("FDI") Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GOI ("DIPP") by circular 1 of 2014, with effect from April 17, 2015 ("Circular 1 of 2014"), consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP. The Government proposes to update the consolidated circular on FDI Policy once every Year and therefore, Circular 1 of 2014 will be valid until the DIPP issues an updated circular. (It is expected on March 31, 2015 and effective from April 01, 2015).

FIIs are permitted to subscribe to shares of an Indian company in a public offer without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI. Further, in terms of the Consolidated FDI Policy, prior approval of the RBI shall not be required for transfer of shares between an Indian resident and person not resident in India if conditions specified in the Consolidated FDI Policy have been met. The transfer of shares of an Indian company by a person resident outside India to an Indian resident, where pricing guidelines specified by RBI under the foreign exchange regulations in India are not met, will not require approval of the RBI, provided that (i) the original and resultant investment is in line with Consolidated FDI policy and applicable foreign exchange regulations pertaining to inter alia sectoral caps and reporting requirements; (ii) the pricing is in compliance with applicable regulations or guidelines issued by SEBI; and (iii) a compliance certificate in this regard is obtained from chartered accountant and attached to the filings made before the authorised dealer bank.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

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

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.

SECTION X – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION OF OUR COMPANY

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Table F in Schedule I of the Companies Act, 2013 and the SEBI Regulations, the main provisions of the Articles of Association of our Company are detailed below:

These Articles of Association were adopted in substitution for and to the entire exclusion of the earlier Articles of Association at the Extra-ordinary General Meeting of the Company held on 5th May, 2015.

SHARE CAPITAL AND VARIATION OF RIGHTS

4. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

5. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided:—

    (a) one certificate for all his shares without payment of any charges; or

    (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

    (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

    (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

6. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

    (ii) The company may issue new share certificates pursuant to consolidation or sub-division of share certificate(s) upon written request received from shareholder together with production and surrender of respective original share certificate(s). Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

    (iii) The provisions of Articles (5) and (6) shall mutatis mutandis apply to debentures of the company.

7. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

8. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate percent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made there under.

    (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

9. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 106 & 107 of Companies Act, 1956, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

10. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

11. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

LIEN

12. (i) The company shall have a first and paramount lien—

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

13. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien: Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

14. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

15. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

16. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

    Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

    (ii) Each member shall, subject to receiving at least fourteen days notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

    (iii) A call may be revoked or postponed at the discretion of the Board.

    (iv) Company may delegate power to make calls on shares subject to approval of the shareholders in a general meeting of the company.

17. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments

18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

19. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.

    (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

20. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

    (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

21. The Board—

    (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

    (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve percent per annum, as may be agreed upon between the Board and the member paying the sum in advance but shall not confer a right to dividend or to participate in profits.

TRANSFER OF SHARES

22. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

    (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

23. The Board may, subject to the right of appeal conferred by section 58 decline to register—

    (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the company has a lien.

24. The Board may decline to recognise any instrument of transfer unless—

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

25. On giving not less than seven days previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

26. Subject to the provisions of Section 59 of Companies Act, 2013, the Board may decline to register any transfer of Shares on such grounds as it think fit in the benefit of the company (notwithstanding that the proposed transferee be already a Member), but in such case it shall, within two months from the date the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer giving reasons for such refusal. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company.

TRANSMISSION OF SHARES

27. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

28. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

29. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

30. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

FORFEITURE OF SHARES

31. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

32. The notice aforesaid shall—

    (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

    (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

33. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

34. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

    (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

35. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

    (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

36. (i) A duly verified declaration in writing that the declaring is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

    (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.

    (iii) The transferee shall thereupon be registered as the holder of the share

    (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

37. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

38. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

39. Subject to the provisions of section 61, the company may, by ordinary resolution,—

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

40. Where shares are converted into stock,—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

41. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

CAPITALISATION OF PROFITS

42. (i) The company in general meeting may, upon the recommendation of the Board, resolve—

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

43. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable infractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

DEMATERIALISATION OF SECURITIES

44. (i) For the purpose of this Article:-

"Beneficial Owner": Beneficial Owner shall have the meaning assigned thereto in section 2(1)(a) of the Depositories Act, 1996.

"Depositories Act": Depositories Act shall mean the Depositories Act, 1996 and includes any statutory modification or re-enactment thereof for the time being in force.

"Depositor y": Depository shall mean a Depository as defined in section 2(1)(e) of the Depositories Act, 1996.

"Member": Member shall mean a duly registered holder from time to time of the security of the company and includes every person whose name is entered as beneficial owner in the records of the Depository.

"Security": Security shall mean such security as may be specified by SEBI.

(ii) "Dematerialisation of Securities": Notwithstanding anything on the contrary contained in this Article, the company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form and further to rematerialise the securities held on depository pursuant to the Depositories Act, 1996 or any amendment thereof.

(iii) "Option to hold securities in physical form or with depository": Every person holding securities of the company through allotment or otherwise shall have the option to receive and hold the same in the dematerialised form with a depository.

(iv) "Beneficial Owner ma y opt out of a Depository" : Every person holding securities of the company with a depository, being the beneficial owner thereof, may at any time opt out of the depository in the manner provided under the provisions of the Depositories Act and the Rules, if any, prescribed there under and on

fulfillment of the conditions prescribed by the company from time to time, company shall issue the relevant security certificates to the beneficial owner thereof.

(v) "Securities in Depositories to be in fungible form": All securities held by a depository shall be dematerialised and shall be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Companies Act, shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

(vi) "Rights of depositor y and beneficial owners": A depository shall be deemed to be the registered owner for the purposes of affecting the transfer of ownership of securities on behalf of the beneficial owners and shall not have any voting rights or any other rights in respect of the securities held by it.

(vii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all rights and benefits and be subject to all the liabilities in respect of his/her securities, which are held by a depository.

(viii) "Transfer of securities" : Transfer of security held in a depository will be governed by the provisions of the

Depository Act, 1996. Nothing contained in Section 108¸ of the Companies Act, 1956 or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

(ix) "Register and Index of beneficial owners": The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders for the purpose of these Articles.

(x) "Other matters": Notwithstanding anything contained in these Articles, the provision of Depositories Act, 1996 relating to dematerialisation of securities including any modification(s) or re-enactment thereof and Rules/Regulations made there under shall prevail accordingly.

(xi) Notwithstanding anything contained in the Act or the Articles, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic mode or by delivery of floppies or disks.

NOMINATION

45. Notwithstanding anything contained in Articles, every holder of shares(s) or debenture(s) of the Company may, at any time, nominate, in the prescribed manner, a person to whom these share(s) shall vest in the event of his death and the provisions of Section 109A and Section 109B of the Companies Act, 1956 shall apply in respect of such nomination.

The provisions of this Article shall apply mutatis mutandis to a depository of money with the Company as per the provisions of Section 58A of the Act.

BUY-BACK OF SHARES

46. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

GENERAL MEETINGS

47. All general meetings other than annual general meeting shall be called extraordinary general meeting.

48. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

PROCEEDINGS AT GENERAL MEETINGS

49. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

50. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

51. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

52. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

ADJOURNMENT OF MEETING

53. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

54. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—

(a) on a show of hands, every member present in person shall have one vote; and

(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

55. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

56. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

57. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

58. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

59. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

60. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid

for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

61. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

62. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

63. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

    Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

64. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.

65. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

    (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

    (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

    (b) in connection with the business of the company.

66. The Board may pay all expenses incurred in getting up and registering the company.

67. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.

68. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

69. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

70. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

    (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

PROCECEDINGS OF THE BOARD

71. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

    (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

72. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

    (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

73. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

74. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

    (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their members to be Chairperson of the meeting.

75. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

    (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

76. (i) A committee may elect a Chairperson of its meetings.

    (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

77. (i) A committee may meet and adjourn as it thinks fit.

    (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

78. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

79. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

80. Subject to the provisions of the Act,—

    (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

81. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

82. (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVE

83. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

84. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

85. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

86. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

87. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

88. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

89. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

90. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

91. No dividend shall bear interest against the company.

92. No unclaimed Dividend shall be forfeited, and unclaimed Dividends shall be dealt with in accordance with the applicable provisions of the Act

ACCOUNTS

93. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

    (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

WINDING UP

94. If the Company shall be wound-up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members in specie or in kind, the whole or, any part of the assets of the Company, whether they consist of property of the same kind or not.

95. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members of different classes of members.

96. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator shall think fit but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECTION XI – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by the Company (not being contracts entered into in the ordinary course of business carried on by the Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material have been attached to the copy of the Draft Prospectus delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from Offer Opening Date until the Offer Closing Date.

A. Material Contracts

1. Memorandum of Understanding dated September 20, 2015 between our Company, the Selling Shareholders and the Lead Manager.

2. Memorandum of Understanding dated September 22, 2015 between our Company, the Selling Shareholders and the Registrar to the Offer.

3. Escrow Agreement dated●[] between our Company, the Selling Shareholders the Lead Manager , Escrow Collection Bank(s), Refund bank and the Registrar to the Offer.

4. Market Making Agreement dated January 15, 2014 between our Company, the Lead Manager and the Market Maker.

5. Underwriting Agreement dated January 16, 2014 between our Company, the Selling Shareholders, the Lead Manager and the Market Maker.

6. Tripartite agreement between the NSDL, our Company and the Registrar dated [●].

7. Tripartite agreement between the CDSL, our Company and the Registrar dated [●].

B. Material Documents

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.

2. Copy of Certification of Incorporation of Ajmera Pharmasure Limited.

3. Resolution of the Board of Directors meeting dated July 17, 2015, authorizing the Offer.

4. Shareholders' resolution passed at the Extra-ordinary General Meeting dated August 17, 2015 authorizing the Offer.

5. Resolution by the board of directors of RRRL dated July 13, 2015 authorising the Offer for Sale.

6. Peer Review Auditor's report for Consolidated and Standalone Restated Financials dated September 29, 2015 included in this Draft Prospectus.

7. The Statement of Tax Benefits dated September 29, 2015 from our Statutory Auditors.

8. Consent of our Selling Shareholders, Directors, Company Secretary and Compliance Officer, Statutory Auditors, Peer Review Auditors, Lead Manager, Legal Advisor to the Offer, Registrar to the Offer, Bankers to our Company, Market Maker, Underwriters, Escrow Collection Bank(s) and Refund Bank as referred to in their respective capacities.

9. Due Diligence Certificate(s) dated [●] of the Lead Manager to be submitted to SEBI along with the filing of the Prospectus.

10. Approval from BSE vide letter dated [●] to use the name of BSE in this Offer Document for listing of Equity Shares on the SME Platform of the BSE.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, hereby declare that, all the relevant provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified) and the guidelines issued by the Government of India or the regulations or guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified), the Securities and Exchange Board of India Act, 1992, each as amended or rules made there under or guidelines / regulations issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

Signed by the Directors of our Company:

______________________	**Mr. Deepak Shah** (Non-Executive Independent Chairman)
______________________	**Mr. Jasmin Ajmera** (Managing Director)
______________________	**Mr. Manish Ajmera** (Whole Time Director)
______________________	**Mr. Utpal Desai** (Non-Executive Independent Director)
______________________	**Mrs. Minal Ajmera** (Non-Executive Non-Independent Director)

Signed by the Chief Financial Officer of our Company:

______________________	**Mr. Jasmin Ajmera** (Chief Financial Officer)

Date: September 30, 2015
Place: Mumbai

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made by it in this Draft Prospectus about or in relation to itself and the Equity Shares being offered by it in the Offer are true and correct, provided however, that the undersigned Selling Shareholder assumes no responsibility for any of the statements or undertakings made by the Company or any other Selling Shareholder or any expert or any other person(s) in this Draft Prospectus.

SIGNED BY THE SELLING SHAREHOLDER

For **Richie Rich Resorts Limited**

____
Director

Date: September 30, 2015
Place: Mumbai

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made by it in this Draft Prospectus about or in relation to itself and the Equity Shares being offered by it in the Offer are true and correct, provided however, that the undersigned Selling Shareholder assumes no responsibility for any of the statements or undertakings made by the Company or any other Selling Shareholder or any expert or any other person(s) in this Draft Prospectus.

SIGNED BY THE SELLING SHAREHOLDER

____

Manish K. Ajmera

Date: September 30, 2015
Place: Mumbai

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made by it in this Draft Prospectus about or in relation to itself and the Equity Shares being offered by it in the Offer are true and correct, provided however, that the undersigned Selling Shareholder assumes no responsibility for any of the statements or undertakings made by the Company or any other Selling Shareholder or any expert or any other person(s) in this Draft Prospectus.

SIGNED BY THE SELLING SHAREHOLDER

____

Minal M. Ajmera

Date: September 30, 2015
Place: Mumbai

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made by it in this Draft Prospectus about or in relation to itself and the Equity Shares being offered by it in the Offer are true and correct, provided however, that the undersigned Selling Shareholder assumes no responsibility for any of the statements or undertakings made by the Company or any other Selling Shareholder or any expert or any other person(s) in this Draft Prospectus.

SIGNED BY THE SELLING SHAREHOLDER

____

Ashish K. Ajmera

Date: September 30, 2015
Place: Mumbai

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made by it in this Draft Prospectus about or in relation to itself and the Equity Shares being offered by it in the Offer are true and correct, provided however, that the undersigned Selling Shareholder assumes no responsibility for any of the statements or undertakings made by the Company or any other Selling Shareholder or any expert or any other person(s) in this Draft Prospectus.

SIGNED BY THE SELLING SHAREHOLDER

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Alpesh K. Ajmera

Date: September 30, 2015
Place: Mumbai

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made by it in this Draft Prospectus about or in relation to itself and the Equity Shares being offered by it in the Offer are true and correct, provided however, that the undersigned Selling Shareholder assumes no responsibility for any of the statements or undertakings made by the Company or any other Selling Shareholder or any expert or any other person(s) in this Draft Prospectus.

SIGNED BY THE SELLING SHAREHOLDER

____
Jiten K. Ajmera

Date: September 30, 2015
Place: Mumbai

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made by it in this Draft Prospectus about or in relation to itself and the Equity Shares being offered by it in the Offer are true and correct, provided however, that the undersigned Selling Shareholder assumes no responsibility for any of the statements or undertakings made by the Company or any other Selling Shareholder or any expert or any other person(s) in this Draft Prospectus.

SIGNED BY THE SELLING SHAREHOLDER

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Nitin P. Ajmera

Date: September 30, 2015
Place: Mumbai

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made by it in this Draft Prospectus about or in relation to itself and the Equity Shares being offered by it in the Offer are true and correct, provided however, that the undersigned Selling Shareholder assumes no responsibility for any of the statements or undertakings made by the Company or any other Selling Shareholder or any expert or any other person(s) in this Draft Prospectus.

SIGNED BY THE SELLING SHAREHOLDER

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Kishore H. Ajmera (HUF)

Date: September 30, 2015
Place: Mumbai