

**Draft Prospectus**  
**Dated: October 10, 2017**  
**Please read section 32 of the Companies Act, 2013**  
**Fixed Price Issue**



**KIDS MEDICAL SYSTEMS LIMITED**  
**CIN: U85110GJ2013PLC075191**

Our Company was incorporated as Kids Medical Systems Limited under the provision of the Companies Act, 1956 vide certificate of incorporation dated May 22, 2013 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Consequent upon the conversion of our Company to public limited company, the name of our Company was changed to "Kids Medical Systems Limited" and fresh certificate of incorporation dated September 7, 2017 was issued by the Deputy RoC, Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U85110GJ2013PLC075191. For further details, in relation to the change in the name and registered office of our Company, please refer to the section titled "History and Certain Corporate Matters" beginning on page 93 of this Draft Prospectus.

**Registered office:** F-806 Titanium City Center, Nr. Sachin Towers, 100 Feet Ring Road, Anand Nagar Road, Satellite, Ahmedabad - 380015 Gujarat, India

**Tel:** +91-79-26764216; **Website:** www.thekidsclinic.in

**Company Secretary and Compliance Officer:** Ms. Falguni Dhruvil Shah; E-Mail: pallavi.dam@thekidsclinic.in

<b>PROMOTERS OF THE COMPANY: MR. ANIRVAN AMITAVA DAM &amp; MRS. PALLAVI ANIRVAN DAM</b>	
<p><b>PUBLIC ISSUE OF 20,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH OF KIDS MEDICAL SYSTEMS LIMITED ("KDSL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 30 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 20 PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹ 600.00 LACS ("THE ISSUE"), OF WHICH 1,04,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH WILL FOR CASH AT A PRICE OF ₹ 30 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 20 PER EQUITY SHARE AGGREGATING TO ₹ 31.20 LACS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.e. NET ISSUE OF 18,96,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AT A PRICE OF ₹ 30 PER EQUITY SHARE AGGREGATING TO ₹ 568.80 LACS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 28.20% AND 26.74%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.</b></p>	
<p style="text-align: center;">THIS ISSUE IS BEING IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS, 2009 AS AMENDED FROM TIME TO TIME.            For further details see "Terms of the Issue" beginning on page 168 of this Draft Prospectus.</p>	
<p>All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") as per the SEBI circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. For further details, please refer to section titled "Issue Procedure" beginning on page 174 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.</p>	
<p><b>THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE ISSUE PRICE IS 3 TIMES OF THE FACE VALUE.</b></p>	
<p><b>RISK IN RELATION TO THE FIRST ISSUE</b></p>	
<p>This being the first Public Issue of our Company, there has been no formal market for the securities of our Company. The face value of the shares is ₹ 10 per Equity Shares and the Issue price is 3 times of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager) as stated in the chapter titled on "Basis for Issue Price" beginning on page 53 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 Equity Shares will be traded after listing.</p>	
<p><b>GENERAL RISKS</b></p>	
<p>Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 8 of this Draft Prospectus.</p>	
<p><b>ISSUER'S ABSOLUTE RESPONSIBILITY</b></p>	
<p>The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.</p>	
<p><b>LISTING</b></p>	
<p>The Equity Shares offered through the Draft Prospectus are proposed to be listed on the BSE SME Platform. In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. Our Company has received an approval letter dated [●] from BSE for using its name in this offer document for listing of our shares on the SME Platform of BSE. For the purpose of this Issue, the designated Stock Exchange will be the BSE Limited ("BSE").</p>	
<p><b>LEAD MANAGER</b></p>	<p><b>REGISTRAR TO THE ISSUE</b></p>
 <b>GRETEX CORPORATE SERVICES PRIVATE LIMITED</b> Office No. -13, 1st Floor, New Bansilal Building, 9-15, Homi Modi Street, Fort, Mumbai -400023, Maharashtra, India Tel. No.: +91 - 22 - 40025273, Fax No.: +91 - 22 - 40025273 SEBI Registration No: INM000012177 Email: <a href="mailto:info@gretexgroup.com">info@gretexgroup.com</a> Website: <a href="http://www.gretexcorporate.com">www.gretexcorporate.com</a> Contact Person: Mr. Manish Tejwani	 <b>PURVA SHARE REGISTRY (INDIA) PRIVATE LIMITED</b> Unit no. 9, Shiv Shakti Ind. Est. J.R. Boricha Marg, Lower Parel, (E), Mumbai - 400011 Tel. No: +91-022-23016761/8261 Fax No: +91-022-2301 2517 SEBI Registration No: INR000001112 Email : <a href="mailto:busicomp@vsnl.com">busicomp@vsnl.com</a> / <a href="mailto:busicomp@gmail.com">busicomp@gmail.com</a> Website: <a href="http://www.purvashare.com">www.purvashare.com</a> Contact Person: Mr. Manish Shah / Ms. Purva Shah
<p><b>ISSUE OPENS ON: [●]</b></p>	<p><b>ISSUE CLOSES ON: [●]</b></p>

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

#### General Terms

Term	Description
“KMSL”, “our Company”, “we”, “us”, “our”, “the Company”, “the Issuer Company” or “the Issuer”	Kids Medical Systems Limited, a public limited company incorporated under the Companies Act, 1956 and having as Registered Office at F-806 Titanium City Center, Nr. Sachin Towers, 100 Feet Ring Road, Anand Nagar Road, Satellite, Ahmedabad - 380015, Gujarat, India.
Promoter	Mr. Anirvan Amitava Dam & Mrs. Pallavi Anirvan Dam
Promoter Group	Companies, individuals and entities (other than companies) as defined under Regulation 2 sub-regulation (zb) of the SEBI ICDR Regulations.

#### COMPANY RELATED TERMS

Term	Description
Articles / Articles of Association/AOA	Articles of Association of our Company
Auditors	The Statutory auditors of our Company, being Doshi Maru & Associates., Chartered Accountants
Board of Directors / Board	The Board of Directors of our Company or a committee constituted thereof
CMD	Chairman and Managing Director
Companies Act	Companies Act, 1956 and/ or the Companies Act, 2013, as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time
Director(s)	Director(s) of Kids Medical Systems Limited unless otherwise specified
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10 each unless otherwise specified in the context thereof
ED	Executive Director
Indian GAAP	Generally Accepted Accounting Principles in India
IT	Information Technology
Key Managerial Personnel / Key Managerial Employees	The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the section titled “Our Management” on page no. 97 of this Draft Prospectus
MD	Managing Director
MOA/ Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time
Registered Office	The Registered office of our Company is located at F-806 Titanium City Center, Nr. Sachin Towers, 100 Feet Ring Road, Anand Nagar Road, Satellite, Ahmedabad - 380015, Gujarat, India.
ROC / Registrar of Companies	Registrar of Companies, Gujarat, Dadra and Nagar Haveli.

#### ISSUE RELATED TERMS

Terms	Description
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 our Company
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorising a SCSB to block the application amount in the ASBA Account maintained with the SCSB.

ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants
Allottee	The successful applicant to whom the Equity Shares are being / have been issued
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in the section "Issue Procedure - Basis of allotment" on Page 191 of this Draft Prospectus
Bankers to our Company	Axis Bank Limited and HDFC Bank Limited
Bankers to the Issue	[•]
Draft Prospectus	The Draft Prospectus October 9, 2017 issued in accordance with Section 32 of the Companies Act filed with the BSE under SEBI(ICDR) Regulations.
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Draft Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Engagement Letter	The engagement letter dated October 3, 2017 between our Company and the LM.
Issue Opening Date	The date on which the Issue opens for subscription.
Issue Closing date	The date on which the Issue closes for subscription.
Issue Period	The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their application.
IPO	Initial Public Offering
Issue / Issue Size / Public Issue	The Public Issue of 20,00,000 Equity Shares of Face Value of ₹ 10 each at ₹ 30 (including premium of ₹ 20) per Equity Share aggregating to ₹ 600 Lacs by Kids Medical Systems Limited
Issue Price	The price at which the Equity Shares are being issued by our Company under this Draft Prospectus being ₹ 30
Listing Agreement	Unless the context specifies otherwise, this means the SME Equity Listing Agreement to be signed between our company and the SME Platform of BSE.
LM / Lead Manager	Lead Manager to the Issue, in this case being Gretex Corporate Services Private Limited.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 18,88,000 Equity Shares of ₹ 10 each at ₹ 30 per Equity Share aggregating to ₹ 566.40 Lacs by Kids Medical Systems Limited
Prospectus	The Prospectus to be filed with the ROC containing, inter alia, the Issue opening and closing dates and other information.
Public Issue Account	An Account of the Company under Section 40 of the Companies Act, 2013 where the funds shall be transferred by the SCSBs from bank accounts of the ASBA Investors.
Qualified Institutional Buyers / QIBs	Mutual Funds, Venture Capital Funds, or Foreign Venture Capital Investors registered with the SEBI; FIIs and their sub-accounts registered with the SEBI, other than a subaccount which is a foreign corporate or foreign individual; Public financial institutions as defined in Section 4A of the Companies Act; Scheduled Commercial Banks; Multilateral and Bilateral Development Financial Institutions; State Industrial Development Corporations; Insurance Companies registered with the Insurance Regulatory and Development Authority; Provident Funds with minimum corpus of Rs 2,500 Lacs; Pension Funds with minimum corpus of Rs 2,500 Lacs; National Investment Fund set up by resolution F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and Insurance Funds set up and managed by the army, navy, or air force of the Union of India. Insurance Funds set up and managed by the Department of Posts, India.
Refund Account	Account opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount , if any, shall be made.
Registrar / Registrar to the	Registrar to the Issue being Purva Sharegistry India Private Limited.

Issue	
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 as amended from time to time.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs 2,00,000.
SCSB	A Self Certified Syndicate 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 <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> Intermediaries.
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.
Underwriters	Underwriter to the issue is Gretex Corporate Services Private Limited.
Underwriting Agreement	The Agreement entered into between the Underwriters and our Company dated October 3, 2017.
Working Days	Any day, other than 2nd and 4th Saturday of the month, Sundays or public holidays, on which commercial banks in India are open for business, provided however, with reference to announcement of Price Band and Issue Period shall mean all days, excluding Saturdays, Sundays and public holidays on which commercial banks in Mumbai are open for business and the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

#### TECHNICAL AND INDUSTRY RELATED TERMS

Term	Description
T.K.C.	The Kids Clinic
L.I.G.H.T.	Let's Ignite Good Health Together
O.L.M.	Online Medical Records
A.R.K.	Act of Random Kindness
O.P.D.	Out Patient Delivery
I.P.D.	In Patient Delivery
N	New (customer)
R	Repeat (Customer)
V	Vaccinations
E.I.P.	Early Intervention Program
A.B.C.	Ayushman Bhavah Card
O.M.P.	Operational Management Processes

#### CONVENTIONAL AND GENERAL TERMS/ ABBREVIATIONS

Term	Description
A/c	Account
Act or Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as amended from time to time
AGM	Annual General Meeting
ASBA	Application Supported by Blocked Amount
AS	Accounting Standards issued by the Institute of Chartered Accountants of India.
AV	Address Verification
AY	Assessment Year
BG	Bank Guarantee
BSE	The BSE Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note

CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
CRR	Cash Reserve Ratio
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996 as amended from time to time
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time
DCA	Department of corporate affairs
DIN	Director's identification number
DP/ Depository Participant	A Depository Participant as defined under the Depository Participant Act, 1996
DP ID	Depository Participant's identification Number
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortization
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings Per Share i.e., profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year
Financial Year/ Fiscal Year/ FY	The period of twelve months ended March 31 of that particular year
FDI	Foreign Direct Investment
FDR	Fixed Deposit Receipt
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there-under and as amended from time to time
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended.
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
FIs	Financial Institutions
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
Gov/Government/ GOI	Government of India
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standard
ICSI	Institute of Company Secretaries of India
ICAI	Institute of Chartered Accountants of India
Indian GAAP	Generally Accepted Accounting Principles in India.
I.T. Act	Income Tax Act, 1961, as amended from time to time
INR/ Rs./ Rupees / ₹	Indian Rupees, the legal currency of the Republic of India
Ltd.	Limited
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended.
MOF	Minister of Finance, Government of India
MOU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NIFTY	National Stock Exchange Sensitive Index
NOC	No Objection Certificate
NR/ Non Residents	Non Resident

NRE Account	Non Resident External Account
NRI	Non Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NTA	Net Tangible Assets
p.a.	Per annum
P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
R & D	Research and Development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SAT	Security appellate Tribunal
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to Time
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI ICDR Regulations/ICDR Regulations/SEBI ICDR / ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI Rules and Regulations	SEBI ICDR Regulations, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time.
Sec.	Section
Securities Act	The U.S. Securities Act of 1933, as amended.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small And Medium Enterprises
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a State of India
Stock Exchanges	Unless the context requires otherwise, refers to, the BSE Limited
STT	Securities Transaction Tax
TDS	Tax Deducted at Source
TIN	Tax payer Identification Number
UIN	Unique Identification Number
U.S. GAAP	Generally accepted accounting principles in the United States of America.
VCFs	Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations. In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.

## **PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA**

### **Financial Data**

Unless stated otherwise, the financial data in the Draft Prospectus is derived from our audited financial statements for the period ended September 5, 2017 and financial year ended March 31, 2017, 2016, 2015, 2014 and 2013 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI ICDR Regulations and the Indian GAAP which are included in the Draft Prospectus, and set out in the section titled 'Financial Information' beginning on page number 113 of the Draft Prospectus. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year are to the twelve-month period ended March 31 of that year. In the Draft Prospectus, 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, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in the 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 the Draft Prospectus should accordingly be limited.

Any percentage amounts, as set forth in the sections / chapters titled 'Risk Factors', 'Business Overview' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' beginning on page numbers 8, 65 and 141 respectively, of the Draft Prospectus and elsewhere in the Draft Prospectus, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI ICDR Regulations and the Indian GAAP.

### **Industry and Market Data**

Unless stated otherwise, industry data used throughout the Draft Prospectus has been obtained or derived from industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that industry data used in the Draft Prospectus is reliable, it has not been independently verified.

Further, the extent to which the industry and market data presented in the 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.

### **Currency and units of presentation**

In the Draft Prospectus, unless the context otherwise requires, all references to;

- 'Rupees' or '₹' or 'Rs.' or 'INR' are to Indian rupees, the official currency of the Republic of India.
- 'US Dollars' or 'US\$' or 'USD' or '\$' are to United States Dollars, the official currency of the United States of America,

All references to the word 'Lakh' or 'Lac', means 'One hundred thousand' and the word 'Million' means 'Ten lacs' and the word 'Crore' means 'Ten Million' and the word 'Billion' means 'One thousand Million'.



## FORWARD LOOKING STATEMENTS

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

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- ❖ General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- ❖ Competition from existing and new entities may adversely affect our revenues and profitability;
- ❖ Political instability or changes in the Government could adversely affect economic conditions in India and consequently our business may get affected to some extent.
- ❖ Our business and financial performance is particularly based on market demand and supply of our products;
- ❖ The performance of our business may be adversely affected by changes in, or regulatory policies of, the Indian national, state and local Governments;
- ❖ Any downgrading of India's debt rating by a domestic or international rating agency could have a negative impact on our business and investment returns;
- ❖ Changes in Government Policies and political situation in India may have an adverse impact on the business and operations of our Company;
- ❖ The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections "Risk Factors", "Business Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 8, 65 and 141 of this Draft Prospectus, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect the current views as of the date of this Draft Prospectus and are not a guarantee of future performance. These statements are based on the management's beliefs and assumptions, which in turn are based on currently available information. Although our Company believes 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. None of our Company, the Directors, the LM, or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. Our Company and the Directors will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.

## SECTION II

### RISK FACTOR

*Investment in our Equity Shares involves a high degree of risk and Bidders should not invest any funds in the Offer unless Bidders can afford to take the risk of losing all or a part of your investment. The risks and uncertainties described below together with the other information contained in this Draft Prospectus should be carefully considered before making an investment decision in our Equity Shares. The risks described below are not the only ones relevant to the country or the industry in which we operate or our Company or our Equity Shares. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise and may become material in the future and may also impair our business operations and financial condition. Further, some events may have a material impact from a qualitative perspective rather than a quantitative perspective and may be material collectively rather than individually. To have a complete understanding of our Company, you 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 no.65 and 141, respectively, as well as the other financial and statistical information contained in this Draft Prospectus. If any of the risks described below, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, prospects, financial condition and results of operations could suffer materially, the trading price of our Equity Shares could decline, and you may lose all or part of your investment.*

*Prior to making an investment decision, Bidders should carefully consider all of the information contained in this Draft Prospectus (including “Financial Information” on page no. 113 and must rely on their own examination of our Company and the terms of the Offer including the merits and the risks involved. You should also consult your tax, financial and legal advisors about the particular consequences to you of an investment in this Offer. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implication of any of the risks mentioned herein. We have described the risks and uncertainties that our management believe are material but the risks set out in this Draft Prospectus may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future. In making an investment decision, Bidders must rely on their own examination of us and the terms of the Offer including the merits and the risks involved. This Draft Prospectus also contains forward-looking statements that involve risk and uncertainties. Our actual results could differ materially from those anticipated in these forward looking statements as a result of certain factors, including the considerations described below in the section entitled “Forward-Looking Statements” on page no.7, and elsewhere in the Draft Prospectus. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements*

**1. We do not own registered office from which we operate.**

Our Registered Office is located at F-806 Titanium City Center, Nr. Sachin Towers, 100 Feet Ring Road, Anand Nagar Road, Satellite, Ahmedabad - 380015, Gujarat, India. The registered office is not owned by us. The premises have been taken by us on lease basis Upon termination of the lease, we are required to return the office premises to the Lessor/Licensor, unless it is renewed. There can be no assurance that the term of the agreements will be renewed on commercially acceptable terms and in the event the Lessor/Licensor terminates or does not renew the agreements, we are required to vacate our registered offices and we may be required to identify alternative premises and enter into fresh lease or leave and license agreement at less favourable terms and conditions. Such a situation could result in loss of business, time overruns and may adversely affect our operations and profitability.

**2. Our Company had deducted TDS under various sections of the income tax Act which had not been paid to the Government.**

The Company had made payment for Consultancy charges, Salary to employees and Rent expenses on which the Company is liable to deduct the TDS and paid the same to the government within stipulated time as per Income Tax Act,1961.However as on date the Company had deducted and not paid TDS under various sections of income tax act amounting to Rs. 9,70,673.89. The Company is liable to pay interest and the penalty for non payment of TDS to the Government within stipulated time.

**3. Our Company had issued made right issue of shares on November 05, 2015 at a price of Rs.12,500 to the existing shareholders.**

Our Company had made right issue of shares to the existing shareholders in the ratio of 1:4 ( Issue of One share against the four shares). All the shareholders except Kishor Gokhur have renounced their right in favour of existing shareholders. The Valuation of Equity shares at the rate of Rs. 12,500 per Equity Shares was made by the Statutory Auditor Samir M. Shah & Associates of our company on the basis of discounted cash flow method according to Management certified financial projections of our Company up to March 31, 2025. Our Company had received notice under section 143(2) of the Income Tax Act, 1961 for limited scrutiny on the ground for receipt of premium of Rs. 12490/- per Equity Share for the A.Y. 2016-17. If our company is unable to justify regarding the valuation of premium received by the company, the respective premium amount will be added as Income of our Company and our company has to pay tax, interest and penalty.

**4. Our Company does not have a long term agreement with its Doctor Partners/Hospitals.**

Our company assist and help doctors to manage, educate and develop their clinic, its infrastructure, its people etc and provide solutions for the various doctors/ Hospitals in different ways such as Management Partnership, Franchisee Partnership, self run clinic model etc. by entering in to the agreement with them. The tenure of all the agreement is between 3 to 5 years w.e.f. 2016 and 2017. We cannot assure you that we will be able to renew the agreements on the same terms and conditions or at all. Further, we may not be able to renew the agreement on terms and conditions that are favorable to us. Such an event may adversely affect our business, financial conditions and results of operations. For further details, please refer to the chapter titled "Business Overview" beginning on page no.65 of this Draft Prospectus.

**5. There are outstanding litigations by and against our Company which if determined against us, could adversely impact financial conditions.**

There are outstanding litigations against our Company. The details of this legal proceeding are given below in the following table:

Particular	Nature of cases	No of outstanding cases	Penalty Amount involved (₹ in lacs)
Litigation against Company	Late filing of TDS Return for Assessment year 2017-18	1	4.30

In addition, our Company had received notice under section 142(1) of the Income Tax Act,1961 for Asst year 2015-16 for furnishing the information and documents in response to Income Tax return filed by the Company. Our Company is yet to file the required information and documents. If our Company fails to submit the reply to the notice, penalty proceedings u/s 271(1) (b) of the Income Tax Act will be initiated.

Our Company had also received a notice of Limited Scrutiny for Asst Year 2016-17 under Section 143(2) of the Income Tax Act, 1961 for furnishing details whether the funds received in the form of share premium are from disclosed sources and have been correctly offered for tax. The Company is yet to submit the required details. If our Company fails to submit the reply to the notice, penalty proceedings u/s 271(1) (b) of the Income Tax Act will be initiated.



For further details regarding outstanding litigations by and against companies please refer the chapter "Outstanding Litigations and Material Development" on page no. 148 of this Draft Prospectus.

**6. Our growth strategy to start our business into various geographic areas exposes us to certain risks.**

At present our company is having geographic presence in Gujarat and Maharashtra especially in Ahmedabad and Mumbai. Our Company intends to establish its presence geographically across the different parts of India. Such a growth strategy may expose us to risks which may arise due to investment to be made in to the totally new geographically area and also lack of familiarity with the development and management of our facilities in these regions. If we are not able to manage the risk of such expansion it would have a material adverse effect on our operations and financial results too.

**7. 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 several statutory and regulatory permits, licenses and approvals to operate our business, some of which our Company has either received, applied for or is in the process of application. Our Company has

received all approval and licenses other than as registered trademark for our Company logo  under the Trade Marks Act, 1999. We have not yet filed an application for registration of our Company trademark with the Registrar of Trademark. Consequently, we do not enjoy the statutory protections accorded to registered trademarks in India for the said logo of our company. This may affect our ability to protect our trademark in the event of any infringement of our intellectual property. Also, we have applied for Trade Marks Registry vide application no.2779692, under class no. 36 under Trade Marks Act, 1999 Registration of Trademark  and is still pending with the relevant authority. Further, we believe that we will be able to renew or obtain such registrations and approvals, as and when required, there can be no assurance that the relevant authorities will renew or issue any such registrations or approvals in the time frame anticipated by us or at all. Failure to obtain and renew such registrations and approvals within statutory time frame attracts penal provisions. If we are unable to renew, maintain or obtain the required registrations or approvals, it may result in the interruption of our operations and may have a material adverse effect on our revenues, profits and operations.

Some of the Licenses and approvals are in the name of “Kids Medical Systems Private Limited”, the same are required to be changed in the name of “Kids Medical Systems Limited”. Our Company is taking necessary steps in this regards. For more information about the licenses required in our business, please refer section "Government and other statutory approvals" appearing on page no. 152 .

**8. We have unsecured loans from promoters and promoter group, which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our business operations.**

As per our restated financial statements, as on September 05, 2017, we have unsecured loan of ₹ 27.84 lacs from others which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our liquidity and business operations. For further details of these unsecured loans, please refer to Auditors' Report beginning on page 113 of the Draft Prospectus.

**9. Our Company has limited operational history in the business of Management Partnership and Franchisee model of the business.**

Our company has limited history in management partnership/ franchisee model of business as our Company was incorporated on May 22, 2013, thus our company has very limited operating history, so may or may not get 100% success in future and also in the expansion we may undertake in future. However the Promoter-Directors, Mr. Anirvan Dam and Mrs. Pallavi A. Dam are well experienced in the business of management partnership/ franchisee with the Doctors/ Hospitals. If we are unable to effectively manage our operations or pursue our growth strategy, our business, financial condition, results of operations and prospects may be adversely affected.

**10. Our Promoters and Directors may have interest in our Company, other than reimbursement of expenses incurred or remuneration.**

Our Promoters and Directors may be deemed to be interested to the extent of rent received from company towards property given on lease basis to the Company, the Equity Shares held by them, or their relatives or our Group Entities, and benefits deriving from their directorship in our Company. Our Promoters are interested in the transactions entered into between our Company and themselves. For further details, please refer to the chapters titled “Business Overview” and “Our Promoters and Promoter Group”, beginning on page 65 and 107, respectively and Annexure 28 “Related Party Transactions” beginning on page no. 137 of this Draft Prospectus.

**11. Our Company has not made provision for Gratuity Payment as required under The Payment of Gratuity Act 1972. The company has not complied with AS-15- Employee Benefits as issued by ICAI.**

Our Company has completed five years from the date of Incorporation and the Payment of Gratuity Act, 1972 is applicable. We have not made provision for Gratuity Payment as required under the Payment of Gratuity Act 1972. The Compliance of Accounting Standard-15 “ Employee Benefits is Mandatory for the Companies. Our Company has not complied with the Accounting Standard As-15 “Employee Benefits”.

**12. Our revenues are dependent on a limited number of our customer. The loss of any of our major Customers may adversely affect our revenues and profitability.**


At present we derive most of our revenues from the 15 Hospitals/Doctors with whom we entered in to Management Partnership/ Franchisee agreements/Revenue sharing arrangement. At present we receive our entire revenue from these 15 Partners/Franchisee/Revenue Sharing Arrangement. Our business and results of operations will be adversely affected if we are unable to maintain and develop a continuing relationship with our any of the Hospitals/Doctors and develop and maintain relationships with other new customers. The loss of any of the Management Partners/ Franchisee/Revenue Sharing arrangement due to any reason whether internal or external related to our business may have a material adverse effect on our business prospects and results of operations.

**13. We are highly dependent on our management team and certain professional personnel. Any loss of such team members or the inability to attract or retain professional personnel may materially adversely affect our business performance and financial results too.**

Our success depends on the continued services and performance of the members of our management team and other key employees. Demand for senior management in the industry is intense, and we may not be able to retain our existing senior management or attract and retain new senior management in the future. The loss of the services of our Promoters or key managerial personnel could seriously impair our ability to continue to manage and expand our business. Further, the loss of any other member of our senior management or other key personnel may adversely affect our business, results of operations and financial condition. We do not maintain ‘key man’ life insurance for our Promoters, senior members of our management team or other key personnel.



**14. Our Company is currently using the logo  is not registered with Trademark Registry under the Trademark Act, 1999 and our ability to use the said trademark may be impaired as we may not be able to protect and/or maintain the same.**

Our ability to market our services depends upon the recognition of our brand names and associated Doctor's goodwill. Our Company's business may be adversely affected due to our inability to protect our existing and future Intellectual Property Rights. Currently, we do not have registered trademark for our Company logo  under the Trade Marks Act, 1999. We have not yet filed an application for registration of our Company trademark with the Registrar of Trademark. Consequently, we do not enjoy the statutory protections accorded to registered trademarks in India for the said logo of our company. This may affect our ability to protect our trademark in the event of any infringement of our intellectual property.

For further details, please refer the chapter —Government and other Statutory Approvals on page no. 153 of this Draft Prospectus.

**15. Any failure in our IT systems could adversely impact our business.**

In terms of our business we have to use the software for the collection and storage of data of all the patients for providing on line reports and services to the Doctors as well as to the patients. Due to failure of the IT systems our quality of service will be adversely affected leading to inconvenience and other financial losses eventually impacting our business operations and financial results also.

**16. We have in the last 12 months, issued Equity Shares at a price that is lower than the Issue Price.**

In the last 12 months preceding the date of this Draft Prospectus, our Company has issued Equity Shares at a price that is lower than the Issue Price (as Bonus Shares), as set forth below:-

Date of allotment	No. of Shares	Equity	Face value(Rs.)	Issue Price (Rs.)	Consideration	Nature of allotment
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September 5, 2017	49,26,870	10	N.A.	Other than Cash	Bonus Issue in the ratio of 30:1 (For Every One Equity Share allotment of 30 Bonus Equity Shares)
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**17. If we fail to manage growth effectively it could have an adverse effect on our results of operations**

We believe our expansion plans will place significant demands on our managerial, operational and financial resources. Growth in our business would require us to expand, train and manage our employee base. The expansion of our Company could also cause problems related to our operational and financial systems and controls and could cause us to encounter working capital issues, as we will need increased liquidity to invest in the IT related equipments, hiring of additional employees. If we fail to manage our growth effectively it may lead to operational and financial inefficiencies that would have a negative effect on our results of operations

**18. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures and the terms of our financial arrangements.**

Our Company has incurred losses upto March 31,2016 and not paid any dividends in the last Fiscal years. The declaration of dividends in the future will be recommended by our Board of Directors, at its sole discretion, and will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures. There can be no assurance that we will pay dividends in the future.

**19. We have experienced negative cash flows in previous years. Any operating losses or negative cash flows in the future could adversely affect our results of operations and financial conditions**

The details of Cash flows of our company are as follows: (₹ in Lakhs)

Particulars	For the year and period ended				
	31.03.2014	31.03.2015	31.03.2016	31.03.2017	05.09.2017
Net Cash Generated from Operating Activities	36.36	25.60	(256.20)	217.94	(372.67)
Net Cash from Investing Activities	(31.34)	(25.60)	(3.61)	(239.86)	(106.73)
Net Cash from Financing Activities	0.98	(0.13)	261.83	59.63	459.60

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 to make new investments without raising finance from external resources. Any operating losses or negative cash flows could adversely affect our results of operations and financial conditions. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations.

**20. Delay in raising funds from the IPO could adversely impact the implementation schedule.**

The proposed fund requirement, as detailed in the section titled "Objects of the Issue" is to be funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute our future plans/strategy within the given timeframe.

**21. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised, and may be subject to change based on various factors, some of which are beyond our control.**

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or another independent agency. Furthermore, in the absence of such independent appraisal, our

funding requirements may be subject to change based on various factors which are beyond our control. For further details, please see the section titled "Objects of the Issue" beginning on page no. 49 of this Draft Prospectus.

***22. Third party industry and statistical data in this Draft Prospectus may be incomplete, incorrect or unreliable.***

Neither the Lead Manager nor the Company have independently verified the data obtained from the official and industry publications and other sources referred in this Draft Prospectus and therefore, while we believe them to be true, there can be no assurance that they are complete or reliable. Such data may also be produced on different bases from those used in the industry publications we have referenced. The discussion of matters relating to India, its economy and our industry in this Draft Prospectus are subject to the caveat that the statistical and other data upon which such discussions are based may be incomplete or unreliable. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. While industry sources take due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data or report and do not take responsibility for any errors or omissions or for the results obtained from using their data or report. Accordingly, investors should not place undue reliance on, or base their investment decision on this information, please refer to section titled "Industry Overview" beginning on page no. 57 of this Draft Prospectus.

***23. We may not be able to successfully implement our business strategies.***

The success of our business depends substantially on our ability to implement our business strategies effectively. We have successfully executed our business strategies in the past but there can be no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted tie-up with the Doctors/Hospitals. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

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

We are not a listed Company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies lead to penalty, which may adversely affect the financial position of the Company.

***25. There is no monitoring agency appointed by Our Company and the deployment of funds are at the discretion of our Management and our Board of Directors, though it shall be monitored by our Audit Committee.***

As per SEBI (ICDR) Regulations, 2009, as amended, appointment of monitoring agency is required only for Issue size above Rupees 100 cr. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SME Listing Agreement. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the BSE Limited and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

## **EXTERNAL RISKS**

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

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

and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending and tourism.

**27. *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. 85 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 effect on our business, financial condition and results of operations.

**28. *Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse effects 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.

**29. *Our 100% Revenue is derived from business in India and a decrease in economic growth in India could cause our business to suffer.***

We derive 100% of our revenue from our operations in India and consequently, our performance and the quality and growth of our business are dependent on the health of the economy of India. However, the Indian economy may be adversely affected by factors such as adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities or interest rates changes, which may also affect the microfinance industry. Any such factor may contribute to a decrease in economic growth in India which could adversely impact our business and financial performance.

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

Prior to this Issue, there has been no public market for our Equity Shares.. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India’s fiscal regime, volatility in the Indian and global securities market, , the Indian Capital Markets and Finance industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnership, joint ventures, or capital commitments.

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

The Issue Price of our Equity Shares shall be determined by Fixed price method. This price is be based on numerous factors (For further information, please refer chapter titled “Basis for Issue Price” beginning on page no. 53 of this Draft Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;



- Changes in revenue or earnings estimates or publication of research reports by analysts; Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

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

Once listed, we would be subject to circuit breakers imposed by all stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on circuit breakers 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 in effect from time to time, and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time

**33. *Civil unrest, acts of violence including terrorism or war involving India and other countries could materially and adversely affect the financial markets and our business.***

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Terrorist attacks and other acts of violence may adversely affect the Indian stock markets, where our Equity Shares will trade, and the global equity markets generally.

**34. *The proposed adoption of IFRS could result in our financial condition and results of operations appearing materially different than under Indian GAAP.***

Public companies in India, including us, may be required to prepare annual and interim financial statements under IFRS in accordance with the roadmap for the adoption of, and convergence with, IFRS announced by the Ministry of Corporate Affairs, GOI (MCA), through a press note dated January 22, 2010. 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. The MCA is expected to announce the date of implementation of the converged accounting standards at a later date. Our financial condition, results of operations, cash flows or changes in shareholders' equity may appear materially different under IFRS than under Indian GAAP. This may have a material adverse effect on the amount of income recognized during that period and in the corresponding period in the comparative fiscal year/period. In addition, in our transition to IFRS reporting, we may encounter difficulties in the ongoing process of implementing and enhancing our management information systems. Moreover, our transition 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.

**35. *Economic developments and volatility in securities markets in other countries may cause the price of the Equity Shares to decline.***

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investor's reactions to developments in one country may have adverse effects on the market price of securities of companies situated in other countries, including India. For instance, the recent financial crisis in the United States and European countries lead to a global financial and economic crisis that adversely affected the market prices in the securities markets around the world, including Indian securities markets. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. The Indian stock exchanges have experienced temporary exchange closures, broker defaults, settlement delays and strikes by brokerage firm employees. In addition, the governing bodies of the Indian stock exchanges have from time to time imposed restrictions on trading

in certain securities, limitations on price movements and margin requirements. Furthermore, from time to time, disputes have occurred between listed companies and stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment.

**36. *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. To ensure compliance with the requirements of the Companies Act, 2013, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention.

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

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

**38. *The nationalized goods and services tax (GST) regimes implemented by the Government of India have impact on our operations***

The Government of India has from July 01, 2017 has implemented the Goods and Service Tax a comprehensive national goods and service tax (GST) regime that combines taxes and levies by the Central and State Governments into a unified rate structure.

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

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

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

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

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

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

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

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

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

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

**Prominent Notes to Risk Factors**

1. Investors may contact the Lead Manager for any clarification, complaint or information pertaining to the Issue.
2. Public Issue of 20,00,000 equity shares of face value ₹10 each of Kids Medical Systems Private Limited for cash at a price of ₹ 30 per Equity Share (the "**Issue Price**"), including a share premium of ₹ 20 per equity share aggregating up to ₹ 600.00 Lakh.
3. The Net Asset Value per Equity Share, pre bonus of our Company as per the Restated Financial Information as at September 05, 2017 and March 31, 2017 is Rs. 330.09 per Equity share and Rs. 392.77 per Equity share respectively. The Net Asset Value per Equity Share, post bonus and pre issue of our Company as per the Restated Financial Information as at September 05, 2017 and March 31, 2017 is Rs. 10.65 per Equity share and Rupee 0.96 per Equity share respectively. For further details, please refer to section titled "Auditor's Report and Financial Information of our Company" beginning on page no. 113 of this Draft Prospectus.
4. The Net Worth of our Company as per the Restated Financial Information as at September 05, 2017 and March 31, 2017 is Rs. 542.10 Lakhs and Rs.47.55 Lakhs respectively. For further details, please refer to the section titled "Auditor's Report and Financial Information of our Company" beginning on page no. 113 of this Draft Prospectus.
5. The average cost of acquisition per Equity Share of our Promoters is set out below:

Sr. No.	Name of the Promoters	No. of Equity Share held	Average price per Equity Share (₹)
1.	Mr. Anirvan A. Dam	10,25,728	9.77
2.	Mrs. Pallavi A. Dam	11,88,017	1.86

For further details, please refer to section titled "Capital Structure" beginning on page no. 34 of this Draft Prospectus.

6. There has been no change of name of our Company at any time during the last three (3) years immediately preceding the date of filing Draft Prospectus.
7. There has been no financing arrangement whereby our Directors, or any of their respective relatives have financed the purchase by any other person of securities of our Company during the six (6) months preceding the date of this Draft Prospectus.
8. The details of transactions of our Company with related parties, nature of transactions and the cumulative value of transactions please refer to section titled "Auditor's Report and Financial Information of our Company - Annexure 28- Related Party Transactions" beginning on page no. 137 of this Draft Prospectus.

## SECTION III - INTRODUCTION

### SUMMARY OF OUR INDUSTRY

Disclaimer: Pursuant to the requirements of the SEBI ICDR Regulations, the discussion on the business of Our Company in this Prospectus consists of disclosures pertaining to industry grouping and classification. The industry grouping and classification is based on our Company's own understanding and perception and such understanding and perception could be substantially different or at variance from the views and understanding of third parties. Our Company acknowledges that certain product/services described in the Prospectus could be trademarks, brand names and/ or generic names of products owned by third parties and the reference to such trademarks, brand names and/or generic names in the Prospectus is only for the purpose of describing the products. The industry data has been collated from various industry and/or research publications and from information available from the World Wide Web. The information in this section is derived from various government/Industry Association publications and other sources. Neither we, nor any other person connected with the issue has verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and accordingly, investment decisions should not be based on such information.

### GLOBAL SCENARIO

Global economic activity and trade picked up modestly from the later part of 2016. The firming up of commodity prices led to some uptick in inflation in major advanced economies (AEs). Recessional conditions ebbed in key commodity exporting emerging market economies (EMEs), setting the stage for a turnaround in EMEs as a group.

Since the MPR of October 2016, global growth picked up modestly towards end-2016, and is projected to improve further in 2017 by multilateral agencies. Growth in EMEs moderated in 2016, but is set to improve with the ebbing of recessionary conditions in key commodity exporting countries. Even though world trade appeared to have emerged out of a trough, new risks have emerged from an increasing tendency towards protectionist policies and heightened political tensions. Commodity prices have risen since late 2016 on improvement in US economic indicators such as strong labour market and consumer spending; infrastructure spending in China; and geopolitical concerns. Crude oil prices firmed after the OPEC announced curtailment of production. Inflation edged up on expectations of reflationary fiscal policies in the US, rising energy prices and a mild strengthening of demand.

International financial markets were impacted by the US election results and expectations of monetary policy tightening by the Federal Reserve, underpinned by hawkish forward guidance. Financial markets in EMEs briefly turned volatile after the US election due to large capital outflows leading to plunges in currency and equity markets. Nevertheless, average volatility remained contained by historical standards since Q4:2016. Bond yields hardened across the globe in tandem with US yields, before softening somewhat since mid-March. Strengthening of the US economy further buoyed the equity markets, while the increasing likelihood of more rate hikes by the Federal Reserve in 2017 hardened bond yields in AEs. The US dollar appreciated to a multi-year high in December and remained bullish.

(Source: Monetary Policy Report - April 2017\_  
<https://www.rbi.org.in/scripts/PublicationsView.aspx?id=17454#C18>)

The Table below shows the Real GDP Growth (q-o-q, saar)

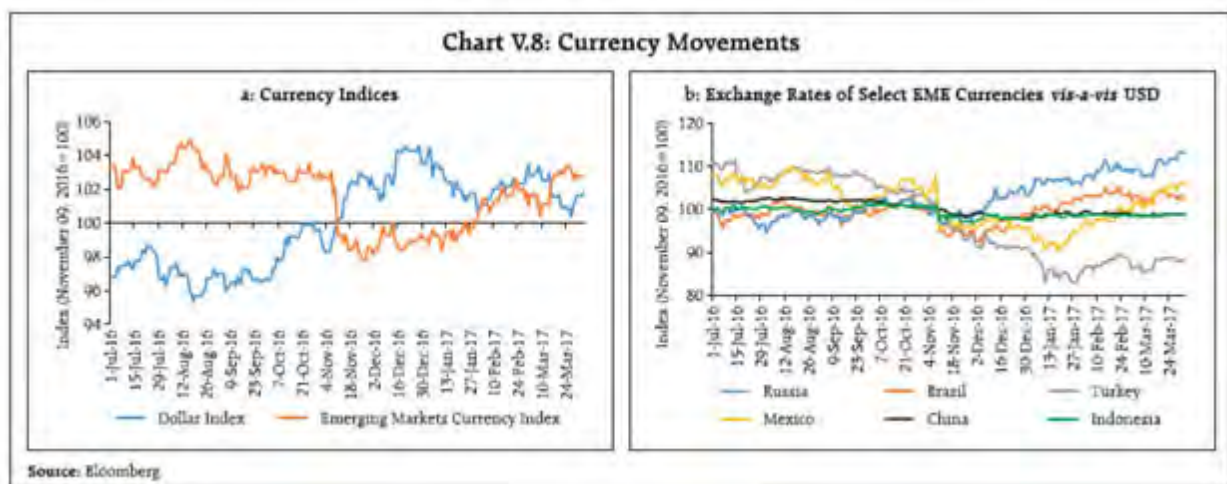
Country	Q4-2015	Q1-2016	Q2-2016	Q3-2016	Q4-2016	(Per cent)	
						2017 (P)	2018 (P)
Advanced Economies (AEs)							
US	0.9	0.8	1.4	3.5	2.1	2.3	2.5
Euro area	2.0	2.0	1.2	1.6	1.6	1.6	1.6
Japan	-1.0	1.9	2.2	1.2	1.2	0.8	0.5
UK	2.8	0.8	2.4	2.0	2.8	1.5	1.4
Canada	0.5	2.7	-1.2	3.8	2.6	1.9	2.0
Korea	2.8	2.0	3.6	2.0	2.0	3.0	3.1

Emerging Market Economies (EMEs)								
China		6.0	5.2	7.6	7.2	6.8	6.5	6.0
Brazil		-4.8	-2.4	-1.3	-2.9	-3.6	0.2	1.5
Russia*		-3.2	-0.4	-0.5	-0.4	0.3	1.1	1.2
South Africa		0.5	-1.5	3.1	0.4	-0.3	0.8	1.6
Thailand		2.5	4.3	4.2	1.7	1.7	3.3	3.1
Malaysia		4.8	4.0	2.8	5.6	5.6	4.6	4.7
Mexico		1.6	1.9	0.4	4.2	2.8	1.7	2.0
Saudi Arabia*		4.3	2.0	1.5	0.9	1.2	0.4	2.3
Memo:								
						<b>2016 (E)</b>	<b>2017 (P)</b>	<b>2018 (P)</b>
World Output						3.1	3.4	3.6
World Trade Volume						1.9	3.8	4.1

With commodity and oil prices rebounding, spare capacity getting absorbed and inflation expectations firming up, there has been some uptick in inflation in major AEs in the recent period. Given the persisting economic slack, however, inflation remained below targets in most AEs. In the US, inflation sequentially accelerated in November and December to reach a level that was the highest since September 2014. However, core personal consumption expenditure (PCE) inflation remained stable at around 1.8 per cent during January and February 2017. Furthermore, 1-year USD inflation swap rate, which is an indicator of inflation expectations, has been stable since March 2017.

In a generally improving macroeconomic environment beginning in the second half of 2016, global financial markets were influenced by three events, viz., the US election, expectations and materialisation of the policy rate hike by the Federal Reserve, and uncertainty surrounding the Brexit roadmap.

Currency markets have been driven mainly by anticipation of policy initiatives by the new US administration and monetary policy stances in major AEs. The US dollar appreciated against most currencies beginning early November. It reached a 14-year high in December, before some reversal in Q1:2017 on uncertainty in realisation of Trump administration's policy initiatives and expectations of a slower pace of rate hikes by the Federal Reserve. The euro depreciated against the US dollar on political uncertainty. The pound was volatile against the US dollar – it gained during late November and early December on expectations of a favourable deal with the EU, but depreciated in January 2017 on resurfacing of uncertainty in the deal. The Japanese yen depreciated as yield spreads between Japan and the US/Euro area widened, before narrowing somewhat in Q1 of 2017.



To sum up, the modest turnaround in global recovery since the latter part of the previous year is projected to strengthen further. While AEs are likely to consolidate economic recovery, the ongoing slowdown in EMEs could reverse. Despite some firming up, inflation in AEs is expected to largely remain stable going by the 1-year inflation swap rate in the US. Economic activity and financial markets will continue to be impacted by political and policy uncertainties as well as monetary policy moves by major AEs.

(Source: Monetary Policy Report - April 2017\_  
<https://www.rbi.org.in/scripts/PublicationsView.aspx?id=17454#C18>)

## **OVERVIEW OF INDIAN ECONOMY**

Government took an initiative in November 2016 to withdraw the legal tender character of all existing Rs 500 and Rs 1000 currency notes in circulation to, inter alia, clean up the system and to tackle the menace of black money. This measure could have short-term costs, but has the potential to improve medium-to-long term growth prospects. Apart from the above, the measures that were taken by the Government in the previous years to boost manufacturing, employment generation, ease of doing business and transparency, including Make in India, Skill India, direct benefit transfer and measures for financial inclusion, were also taken forward in the current year.

### **GDP Growth**

As per the First Advanced Estimates released by the Central Statistics Office, the economy is estimated to grow at 7.1 per cent in 2016-17, as compared to the growth of 7.6 per cent achieved in 2015-16. The growth in agriculture, industry and services is estimated at 4.1 per cent, 5.2 per cent and 8.8 per cent in 2016-17 as opposed to 1.2 per cent, 7.4 per cent and 8.9 per cent respectively in 2015-16. Growth rate of industry sector declined in 2016-17 mainly on account of contraction in mining & quarrying and moderation of growth in manufacturing sector. It was the services sector, led by public administration, defence and other services that resulted in the overall GVA growth rate of 7.0 per cent in 2016-17. From the demand angle, the expansion in government final consumption expenditure has been the major driver of growth. The growth in fixed investment at constant prices declined from 3.9 per cent in 2015-16 to (-) 0.2 per cent in 2016-17. The exports of goods and services are estimated to grow by 2.2 per cent whereas the imports are projected to decline by 3.8 per cent in 2016-17.

### **Industry and Services**

The performance of the industrial sectors based on the Index of Industrial Production (IIP) comprising mining, manufacturing and electricity reveals a modest growth of 0.4 per cent during April-November 2016-17 as compared to 3.8 per cent during the same period of 2015-16. As per the sectoral classification, the production of manufacturing sector declined by 0.3 per cent during April-November 2016-17. The electricity and mining sectors registered growth rates of 5.0 per cent and 0.3 per cent respectively during April-November 2016-17. Among the use-based categories, basic goods, intermediate goods and consumer durable goods have attained positive growth while capital goods and consumer non-durable goods sectors witnessed contraction during April-November 2016-17.

The eight core infrastructure supportive industries, viz. coal, crude oil, natural gas, refinery products, fertilizers, steel, cement and electricity that have a total weight of nearly 38 per cent in the IIP registered a cumulative growth of 4.9 per cent during April-November, 2016-17 as compared to 2.5 per cent during April-November, 2015-16. The production of refinery products, fertilizers, steel, electricity and cement increased substantially, while the production of crude oil, natural gas declined during April- November, 2016-17. Coal production attained lower growth during the same period.

### **Performance of Banking Sector**

The performance of the banking sector, public sector banks (PSBs) in particular, continued to remain subdued in the current financial year. The asset quality of banks deteriorated further. The gross nonperforming assets (GNPA) ratio of scheduled commercial banks (SCBs) increased to 9.1 per cent from 7.8 per cent between March and September 2016. The Tier-I leverage ratio of the SCBs increased marginally between March and September 2016. Profit after tax (PAT) contracted on year-on-year basis in the first half of 2016-17 due to higher growth in risk provisions, loan write-off and decline in net interest income.

Non- food credit (NFC) outstanding grew at sub- 10 per cent for all the months except for September 2016. Credit growth in industrial sector remained persistently below 1 per cent level in all the months during the current fiscal. In fact, credit to industrial sector contracted in the months of August, October and November 2016. However, bank credit lending to agriculture and allied activities and personal loans segments continues to be the major contributor to overall NFC growth.

### **External Sector**

Based on the Balance of Payments (BoP) data available for the first six months of 2016-17, the trade deficit on BoP basis declined to US\$ 49.5 billion in April-September 2016 from US\$ 71.3 billion in April- September 2015. Net invisibles receipts were lower at US\$ 45.7 billion in 2016-17 (April-September) as compared to US\$ 56.7 billion in 2015-16 (April- September) mainly due to relatively higher growth of services import (16 per cent) compared to the services export growth of 4.0 per cent and moderation in net private transfers. During 2016-17 (April-September), net FDI inflows of US\$ 21.3 billion showed an increase of 28.8 per cent over April-September 2015, while net portfolio inflows were positive at US\$ 8.2 billion in 2016- 17 (April-September) as against net outflows of US\$ 3.5 billion in the corresponding period of the previous year. Current account deficit (CAD) was at US\$ 3.7 billion (0.3 per cent of GDP) in April-September 2016 as compared to US\$ 14.7 billion (1.5 per cent of GDP) in April-September 2015. On BoP basis, there was net accretion to India's foreign exchange reserves by US\$ 15.5 billion in 2016-17 (April-September), while it increased by US\$ 11.8 billion including valuation changes. This resulted in increase in the stock of foreign exchange reserves, which stood at US\$ 372.0 billion at end September, 2016. The stock of foreign exchange reserves was US\$ 359.2 billion as on January 6, 2016.

In 2016-17 (April-December), the average monthly exchange rate of rupee (RBI's reference rate) was ₹66.47 per US dollar in April 2016 and ₹67.90 per US dollar in December 2016. On month-on-month basis, the rupee depreciated by 1.3 per cent from ₹67.02 per US dollar in March 2016 to ₹67.90 per US dollar in December 2016.

### **Prospects**

The prospects for Indian economy for the year 2017-18 need to be assessed in the light of emerging global and domestic developments. Indications are that global economic growth is gradually picking up. This augers well for Indian exports which are highly responsive to the dynamics of global economic activity. On the other hand, the increasing global prices of oil and other key commodities may exercise an upward pressure on the value of imports. Uncertainty on account of significant external political developments, global interest rate behaviour and capital flows pose potential downsides. Domestic demand is expected to get a boost from accommodative monetary policy and the unleashing of domestic trade and consumption as the economy gets remonetised to the required levels. On balance, and, in line with the projections for strengthening of India's growth by multi-lateral institutions, the nominal growth of the economy is expected to be 11.75 per cent in the financial year 2017-18.

(Source: Macro-Economic Framework Statement 2016-17  
<http://indiabudget.nic.in/ub2016-17/frbm/frbm1.pdf>)

## SUMMARY OF OUR BUSINESS

**The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in the Prospectus, including the information contained in the section titled “Risk Factors” on page no. 8 of the Draft Prospectus. In this chapter, unless the context requires otherwise, any reference to the terms “We”, “Us” and “Our” refers to Our Company. Unless stated otherwise, the financial data in this section is as per our financial statements prepared in accordance with Indian Accounting Policies set forth in the Draft Prospectus.**

### **Company Background and Overview**

Our Company is engaged in providing solution in healthcare sector as pediatric clinic chain provider. We offer exclusive services which can benefit the child for their healthcare needs. Kids Clinic (TKC) is a venture of "Kids Medical Systems Private Ltd" started in June, 2013 and our company has launched our first “State of the Art” pediatric clinic chain. We partner with doctors at a clinic /premise level. We offer services which can assist and help doctors to manage, educate and develop their clinic, its infrastructure, its people and most importantly also provide guidance in services to parents of the child. Our overall output is purely focused on delivering great health services by using technological platforms to connect the audience with the doctors and vice versa.

We also assist in all services like timely reminders on vaccinations and other services are offered to parents proactively as we understand a proper communication, and better service standards offered at the time of distress where immediate child healthcare services are required. Therefore giving the strong arms to the Doctors in tech-management area which helps them to do their tasks better resulting they can focus on their core competencies of sharing and solving concerns efficiently, while we manage and better the overall 360 degree communication and service platforms for them. We provide the service Management/Light Asset Model which includes the clinic Management Software, clinic reports, Training, recruitment of staff, Online and Offline engagement with customers. In addition we also provide Glow sign Boards, Paraphernalia, Standees and also arrange for co-branding marketing efforts, as and when required in Pre-School, Schools, mailers, SMS, whatsapp or other electronic or through other devices or modes. We are also engaged in providing hospital consultancy to our Doctor Partners.

We started from 1(one) clinic in Dombvilli (Thane District- Maharashtra) and reached to 15 (Fifteen) Hospitals/Doctors with whom we entered into Management Partnership/ Franchisee agreements/Revenue sharing arrangement till date. We believe that our business model has evolved and become significantly stronger with each passing year. We intend to be a part of positive change in the child health care sector and to be a clinic partnership company, offering, managing and serving the Doctors-Pediatric and Patients.

Our company is having one of the clinics in Harinivas at Mumbai, taken on leased basis and being run on owned-revenue sharing model, where we hire the premises on a lease basis generally for a period of 2-3 years. We tie up with Doctors and issue a letter of Intent to Doctors to visit our clinic for 2-4 hours in a day and render their service against which we would be sharing 30% to 50% of Net profit with Doctor partners. In Owned-Revenue sharing Model, we make the investment in fixed assets like (furniture, computer, printer, Air condition, Refrigerator, Glow sign Boards, Paraphernalia, Standees etc) and other expenditure towards restructuring the premises, paints, flooring, POP's (Plaster of paris work) as per our uniform specific design etc. In revenue sharing business model we execute agreement with Doctor Partners to provide the following offerings to the Doctor Partner like Recruitment, training, and monitoring of existing and future staff, Additional Doctors for locums and additional shifts if and when required would be provided, Provide all platform for online Billing and online data management and medical records through our website, Banking including cash management; and business report, Business analytics and reports by our Team etc.



## Our Journey



## **Our verticals/ Offerings/Services**

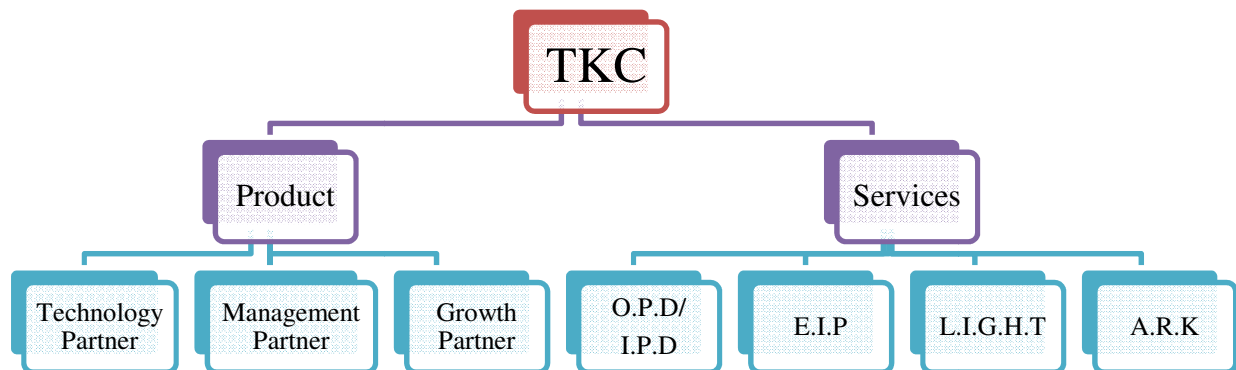
We have two distinctive verticals as stated below:

- Our Product verticals
- Our Service verticals

They work in synergy and offer both short term and long term solutions to the Doctor partners.

**Our Product verticals** are defined as processes which are executed at an internal level of the clinic. Things which can make the operational management of the clinic more efficient.

**Our Service verticals** are defined as offerings, which a doctor, parent can avail which can lead to more satisfaction in terms of revenues, value for money and overall betterment of the society at large.



**SUMMARY OF OUR FINANCIAL INFORMATION**

**Annexure 1 Summary Statement of Assets and Liabilities as Restated**

(₹ in Lacs)

Particulars		As At 31st March 2014	As At 31st March 2015	As At 31st March 2016	As at 31st March 2017	As at 5th September 2017
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>					
<b>a</b>	<b>Shareholders' funds</b>					
	(a) Share capital	<b>1.00</b>	<b>1.00</b>	<b>1.21</b>	<b>1.21</b>	<b>509.11</b>
	(b) Reserves and surplus	<b>(40.82)</b>	<b>(119.98)</b>	<b>32.41</b>	<b>46.34</b>	<b>32.99</b>
	(c) Money Received against share warrants					
<b>b</b>	<b>Share application money pending allotment</b>	-	-	-	-	-
<b>c</b>	<b>Non-current liabilities</b>					
	(a) Long-term borrowings	-	-	-	-	-
	(b) Deferred tax liabilities (Net)	-	-	-	-	-
	(c) Other Long-term Liabilities					
	(d) Long-term Provisions					
<b>d</b>	<b>Current liabilities</b>					
	(a) Short-term borrowings	-	-	-	60.00	27.84
	(b) Trade payables	90.39	196.97	24.01	249.10	0.74
	(c) Other current liabilities	0.21	5.10	7.58	13.64	9.71
	(d) Short-term provisions	-	-	-	1.50	1.50
	<b>TOTAL</b>	<b>50.78</b>	<b>83.10</b>	<b>65.22</b>	<b>371.79</b>	<b>581.89</b>
<b>II.</b>	<b>ASSETS</b>					
<b>a</b>	<b>Non-current assets</b>					
	(a) Property, Plant and Equipment					
	(i) Tangible assets	31.06	46.08	49.70	51.04	51.04
	(ii) Intangible Assets	-	-	-	-	-
	(iii) Intangible Assets under development	-	-	-	-	-
	(iv) Capital Work in Progress	-	-	-	248.20	353.82
	(v) Property, Plant and Equipment held for Sale				-	-
	Less: Accumulated Depreciation	2.78	1.00	21.19	28.18	30.43
	Net Block	28.29	33.25	28.51	271.07	374.43
	<b>(b) Non Current Investments</b>	-	-	-	-	-
	<b>(c) Deferred Assets</b>	-	-	-	-	-
	<b>(d) Long-term loans and advances</b>	-	<b>10.60</b>	<b>10.60</b>	<b>1.20</b>	<b>2.32</b>
	<b>(e) Other Non-Current Assets</b>	<b>0.28</b>	<b>0.28</b>	<b>0.28</b>	-	-
<b>b</b>	<b>Current assets</b>					
	(a) Current Investments	-	-	-	-	-
	(b) Inventories	1.62	1.62	2.63	20.67	19.65
	(c) Trade receivables	3.40	3.39	0.00	21.17	22.33
	(d) Cash and cash equivalents	6.00	5.87	7.89	45.60	25.80
	(e) Short-term loans and advances	11.20	28.09	15.30	12.07	137.35
	(f) Other Current Assets	-	-	-	-	-
	<b>TOTAL</b>	<b>50.78</b>	<b>83.10</b>	<b>65.22</b>	<b>371.79</b>	<b>581.89</b>

**Annexure 2 Summary of Statement of Profit and Loss account as Restated**

(₹ in Lacs)

Particulars		For the year ended 31st March 2014	For the year ended 31st March 2015	For the year ended 31st March 2016	For the period ended 31st March 2017	For the period ended 5th September 2017
<b>I.</b>	Revenue from operations	23.44	59.30	95.64	224.57	32.26
<b>II.</b>	Other income	0.06	0.03	0.35	1.13	-
<b>III.</b>	Total Revenue (I + II)	23.50	59.32	95.99	225.70	32.26
<b>IV.</b>	Expenses:					
	Cost Of Consumable	1.69	16.61	18.70	21.62	4.94
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	-	-	-
	Employee benefits expense	21.03	72.94	74.25	55.34	12.43
	Finance costs	0.02	0.13	1.55	0.37	0.23
	Depreciation and amortization expense	2.78	10.06	8.35	6.99	2.25
	Other expenses	38.80	38.75	103.91	127.45	9.86
	<b>Total expenses</b>	<b>64.31</b>	<b>138.49</b>	<b>206.76</b>	<b>211.77</b>	<b>29.71</b>
<b>V.</b>	Profit before tax & Exceptional Item and Extraordinary item (III-IV)	(40.82)	(79.16)	(110.77)	13.93	2.56
	Exceptional Items	-	-	-	-	-
	Profit Before Tax & Extraordinary items	(40.82)	(79.16)	(110.77)	13.93	2.56
	Extraordinary items	-	-	-	-	-
<b>VI</b>	Profit Before Tax	(40.82)	(79.16)	(110.77)	13.93	2.56
<b>VII</b>	Tax expense:					
	(1) Current tax	-	-	-	-	-
	(2) Deferred tax	-	-	-	-	-
	(3) MAT Credit	-	-	-	-	-
<b>VIII</b>	Profit (Loss) for the period (V-VI)	(40.82)	(79.16)	(110.77)	13.93	2.56

Annexure 3 Summary of Statement of Cash Flows as Restated

(₹ in Lacs)

Particulars	For the Period Ended 31st March, 2014	For the Period Ended 31st March, 2015	For the Period Ended 31st March, 2016	For the Period Ended 31st March, 2017	For the Period Ended 5th September, 2017
<b>Cash flow from Operating Activities</b>					
Net Profit Before tax as per Statement of Profit & Loss	(40.82)	(79.16)	(110.77)	13.93	2.56
Adjustments for :					
Prior Period Expenses			-	-	-
Depreciation & Amortisation Exp.	2.78	10.06	8.35	6.99	2.25
Loss (Profit) on Sale of Assets	-	-	-	-	-
Dividend Income	-	-	-	-	-
Interest Income	-	(0.02)	(0.01)	(0.00)	-
Finance Cost	0.02	2.79	1.55	9.89	0.37
	7.35	0.23	2.48		
Operating Profit before working capital changes	(38.02)	(69.00)	(100.88)	21.28	5.04
Changes in Working Capital					
Trade receivable	(3.40)	0.01	3.38	(21.17)	(1.16)
Other Loans and advances receivable	(11.20)	(16.89)	12.79	3.23	(125.28)
Inventories	(1.62)	-	(1.01)	(18.04)	1.02
Other Current Assets	-	-	-	-	-
Trade Payables	90.39	106.58	(172.96)	225.09	(248.35)
Other Current Liabilities	0.21	4.90	2.48	6.05	(3.93)
Short term Provisions	-	-	-	1.50	-
	74.38	94.60	(155.32)	96.66	(377.71)
<b>Net Cash Flow from Operation</b>	<b>36.36</b>	<b>25.60</b>	<b>(256.20)</b>	<b>217.94</b>	<b>(372.67)</b>
Less : Income Tax paid	-	-	-	-	-
<b>Net Cash Flow from Operating Activities (A)</b>	<b>36.36</b>	<b>25.60</b>	<b>(256.20)</b>	<b>217.94</b>	<b>(372.67)</b>
<b>Cash flow from investing Activities</b>					
Purchase of Fixed Assets	(31.06)	(15.02)	(3.62)	(249.54)	(106.38)
Sale of Fixed Assets	-	-	-	-	0.77
Other Non Current Assets (Net)	(0.28)	-	-	0.28	-
Movement in Loans & Advances	-	(10.60)	-	9.40	(1.12)
Purchase/Sale of Investment	-	-	-	-	-
Interest Income	-	0.02	0.01	0.00	-
Dividend Income	-	-	-	-	-
	(31.34)	(25.60)	(3.61)	(239.86)	(106.73)
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(31.34)</b>	<b>(25.60)</b>	<b>(3.61)</b>	<b>(239.86)</b>	<b>(106.73)</b>
<b>Cash Flow From Financing Activities</b>					
			-	-	-

Proceeds From Issue of shares capital	1.00		-		263.37		-		491.99	
Proceeds From long Term Borrowing (Net)	-		-		-		60.00		-	
Short Term Borrowing (Net)	-		-		-		-		-	32.16
Interest Paid	(0.02)		(0.13)		(1.55)		(0.37)		(0.23)	
Dividend paid (Including DDT)	-	0.98	-	(0.13)	-	261.83	-	59.63	-	459.60
<b>Net Cash Flow from Financing Activities (c)</b>		<b>0.98</b>		<b>(0.13)</b>		<b>261.83</b>		<b>59.63</b>		<b>459.60</b>
<b>Net (Decrease)/ Increase in Cash &amp; Cash Equivalents (A+B+C)</b>		<b>6.00</b>		<b>(0.12)</b>		<b>2.02</b>		<b>37.71</b>		<b>(19.80)</b>
<b>Opening Cash &amp; Cash Equivalents</b>		<b>-</b>		<b>6.00</b>		<b>5.87</b>		<b>7.89</b>		<b>45.60</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>6.00</b>		<b>5.87</b>		<b>7.89</b>		<b>45.60</b>		<b>25.80</b>
<b>Cash And Cash Equivalents Comprise:</b>										
<b>Cash</b>		<b>6.00</b>		<b>5.87</b>		<b>7.89</b>		<b>21.94</b>		<b>25.28</b>
<b>Bank Balance :</b>										
<b>Current Account</b>		<b>-</b>		<b>-</b>		<b>-</b>		<b>23.67</b>		<b>0.52</b>
<b>Deposit Account</b>		<b>-</b>		<b>-</b>		<b>-</b>		<b>-</b>		<b>-</b>
<b>Total</b>		<b>6.00</b>		<b>5.87</b>		<b>7.89</b>		<b>45.60</b>		<b>25.80</b>

## THE ISSUE

Present Issue in terms of the Draft Prospectus:

Issue Details	
Equity Shares offered	20,00,000 Equity Shares of ₹ 10 each at an Issue Price of ₹ 30 each aggregating to ₹ 600.00 Lacs
Of which:	
Reserved for Market Makers	1,04,000 Equity Shares of ₹ 10 each at an Issue Price of ₹ 30 each aggregating to ₹ 31.20 Lacs
Net Issue to the Public*	18,96,000 Equity Shares of ₹ 10 each at an Issue Price of ₹ 30 each aggregating to ₹ 568.80 Lacs
Of which	
Retail Portion	9,48,000 Equity Shares of ₹ 10 each at an Issue Price of ₹ 30 each aggregating to ₹ 284.40 Lacs
Non Retail Portion	9,48,000 Equity Shares of ₹ 10 each at an Issue Price of ₹ 30 each aggregating to ₹ 284.40 Lacs
Equity Shares outstanding prior to the Issue	50,91,099 Equity Shares of ₹ 10 each
Equity Shares outstanding after the Issue	70,91,099 Equity Shares of ₹ 10 each
Use of Proceeds	For further details please refer chapter titled “Objects of the Issue” beginning on page no. 49 of the Draft Prospectus for information on use of Issue Proceeds.

### Notes

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

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on May 13, 2017 and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)(C) of the Companies Act, 2013 at the EGM held on May 24, 2017.

\*As per the Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue the allocation in the net offer to the public category shall be made as follows:

- a) Minimum fifty percent to retail individual investor; and
- b) Remaining to:
  - i. Individual applicants other than retail individual investors; and
  - ii. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

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

## GENERAL INFORMATION

Our Company was incorporated as "Kids Medical Systems Private Limited" at Ahmedabad under the provision of the Companies Act, 1956 vide certificate of incorporation dated May 22, 2013 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Consequent upon the conversion of our Company to public limited company, the name of our Company was changed to "Kids Medical Systems Limited" and fresh certificate of incorporation dated September 7, 2017 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U85110GJ2013PLC075191.

For further details in relation to the corporate history of our Company, see the section titled "History and Certain Corporate Matters" on page no. 93.

### BRIEF COMPANY AND ISSUE INFORMATION

Company Name	Kids Medical Systems Limited
Registered Office	F-806 Titanium City Center, Nr. Sachin Towers, 100 Feet Ring Road, Anand Nagar Road, Satellite, Ahmedabad - 380015 <b>Tel:</b> 079- 26764216 <b>Email:</b> pallavi.dam@thekidsclinic.in <b>Website:</b> www.thekidsclinic.in <b>Contact Person:</b> Ms. Falguni Dhrumil Shah
Date of Incorporation	May 22, 2013
Company Identification No.	U85110GJ2013PLC075191
Company Category	Company limited By Shares
Registrar Of Company	Gujarat Dadra Nagar & Haveli
Address of the RoC	ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop , Naranpura, Ahmedabad-380013, Phone:079-27437597 Fax:079-27438371 E Mail :roc.ahmedabad@mca.gov.in
Designated Stock Exchange	BSE Limited, SME Platform
Issue Programme	Issue Opens On : [●] Issue Closes On : [●]

### BOARD OF DIRECTORS OF OUR COMPANY

Our Board Of Directors Consist of:

Name	Designation	DIN No.
Mr. Anirvan Amitava Dam	Managing Director	03031807
Mrs. Pallavi Anirvan Dam	Non Executive & Non Independent Director	03514501
Dr. Nihar Pankaj Parekh	Independent Director	01818931
Dr. Nishchal Bhatt	Independent Director	07867979

For further details pertaining to the education qualification and experience of our Directors, please refer page no. 97 of this Draft Prospectus under the chapter titled "Our Management".

### COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Falguni Dhrumil Shah  
Kids Medical Systems Limited  
F-806 Titanium City Center, Nr. Sachin Towers,  
100 Feet Ring Road, Anand Nagar Road,  
Satellite, Ahmedabad - 380015  
**Tel:** 079- 26764216  
**Email:** pallavi.dam@thekidsclinic.in

Investors may contact the Compliance Officer and / or the Registrar to the Issue and / or the LM to the Issue in case of any Pre-Issue or Post-Issue related matter such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account, unblocking of amount in ASBA etc.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the concerned SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSB where the ASBA Application Form was submitted by the ASBA Applicant.

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

### **CHIEF FINANCIAL OFFICER**

Mrs. Pallavi Anirvan Dam  
Kids Medical Systems Limited  
F-806 Titanium City Center, Nr. Sachin Towers,  
100 Feet Ring Road, Anand Nagar Road,  
Satellite, Ahmedabad - 380015  
**Tel:** 079- 26764216  
**Email:** pallavi.dam@thekidsclinic.in

### **DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY**

<b>Lead Manager to the Issue</b>	<b>Registrar to the Issue</b>
<b>GRETEX CORPORATE SERVICES PRIVATE LIMITED</b> Office No. -13, 1st Floor, New Bansilal Building, 9-15, HomiModi Street, Fort, Mumbai -400023, Maharashtra, India. Tel No: +91-22-40025273 Fax No.: +91-22-40025273 SEBI Registration No: INM000012177 Email: info@gretexgroup.com Website: www.gretexcorporate.com Contact Person: Mr. Manish Tejwani	<b>PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED</b> Unit no. 9, Shiv Shakti Ind. Est. J.R. BorichaMarg, Lower Parel, (E), Mumbai – 400011 Tel No: +91-022-23016761/8261 Fax No: +91-022-2301 2517 SEBI Registration NO: INR000001112 Email Id: busicomp@vsnl.com /busicomp@gmail.com Website: www.purvashare.com Contact Person: Mr. Manish Shah / Ms. Purva Shah
<b>Peer Review Auditor of the Company</b>	<b>Bankers to the Company</b>
<b>DOSHI MARU &amp; ASSOCIATES</b> Chartered Accountants 217/218, Manek Centre, P. N. Marg, Jamnagar- 361001 Tel No.: +91-288-2661941 (M) +91-8866008805 Email id: doshi.maru@gmail.com Contact Person: Kirit S. Bheda	<b>AXIS BANK LIMITED</b> Double 8, Kabir Enclave, Bopal Ghuma Road, Bopal, Ahmedabad - 380058 Tel No.: 02717-656501 E-mail: bopal.operationshead@axisbank.com Contact Person: Shivam Patel
<b>Bankers to the Company</b>	<b>Bankers to the Issue</b>
<b>HDFC BANK LTD</b> G-11,12,13, akshardhara 2, shyamal cross road, satellite Ahmedabad - 380015 Tel No.: 079 - 40321373 Email: viralkumar.patel@hdfcbank.com	<b>[•]</b>
<b>Legal Advisor to the Issue</b>	
<b>M N. Marfatia Advocate</b> 4th Floor, New York Tower-A, S.G. Highway, Thaltej, Ahmedabad. Tel: 079-26856001-04 Mo: +91-9898917167 Email Id: mauleen.marfatia@gmail.com Contact Person: Mauleen Marfatia Bar Council No. : G/1585/2008	

### **SELF CERTIFIED SYNDICATE BANKS**



The SCSBs as per updated list available on SEBI's website <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> Investors are requested to refer the SEBI website for updated list of SCSBs and their designated branches.

#### **STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES**

Since Gretex Corporate Services Private Limited is the Lead Manager to the issue, all the responsibility of the issue will be managed by them.

#### **CREDIT RATING**

As this is an issue of Equity Shares there is no credit rating for this Issue.

#### **IPO GRADING**

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

#### **TRUSTEE/DEBENTURE TRUSTEE**

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

#### **BROKERS TO THE ISSUE**

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

#### **REGISTRAR TO ISSUE AND SHARE TRANSFER AGENTS**

The list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of Stock Exchange at BSE Limited, as updated from time to time.

#### **COLLECTING DEPOSITORY PARTICIPANTS**

The list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange at BSE Limited, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

#### **APPRAISAL AND MONITORING AGENCY**

In terms of sub regulation (1) Regulation 16 of SEBI ICDR Regulations, Our Company is not required to appoint a monitoring agency in relation to the issue. However, Audit Committee of our Company would be monitoring the utilization of the Issue Proceeds.

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

#### **UNDERWRITING AGREEMENT**

This Issue is 100% Underwritten. The Underwriting agreement is dated October 3, 2017, 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 Issue:

<b>Details of the Underwriter</b>	<b>No. of shares underwritten</b>	<b>Amount Underwritten (₹ in Lacs)</b>	<b>% of the Total Issue Size Underwritten</b>
<b>Gretex Corporate Services Private Limited</b> Office No. -13, 1st Floor,(New Bansilal Building), 9-15, HomiModi Street, Fort Near BSE, Mumbai -400023	20,00,000	600.00	100.00%
<b>Total</b>	20,00,000	600.00	100 %

\*Includes 1,04,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 106 V(4) of the SEBI (ICDR) Regulations, 2009, as amended.

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

#### **DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE**

Our Company and the Lead Manager have entered into a tripartite agreement dated [●] with the following Market Maker, duly registered with BSE Limited to fulfill the obligations of Market Making:

[●]

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

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

- 1) The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- 2) The 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(s) (individually or jointly) in that scrip provided that he/she sells his/her entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 3) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- 4) There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
- 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) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- 7) The Shares of the company will be traded in continuous trading session from the time and day the company gets listed on SME Platform of BSE and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
- 8) The Market Maker(s) shall have the right to terminate said arrangement by giving a three months notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).

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

of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.

- 9) Risk containment measures and monitoring for Market Makers: BSE SME Segment will have all margins which are applicable on the Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
- 10) Punitive Action in case of default by Market Makers: BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.  
The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.
- 11) Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the issue size and as follows:

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

## CAPITAL STRUCTURE

Our Equity Share Capital before the issue and after giving effect to the issue, as on the date of filing of this Draft Prospectus, is set forth below:

(₹ In lacs, except shares data)

Sr. No.	Particulars	Aggregate Value at Face Value (₹)	Aggregate Value at issue Price (₹) in lacs
<b>A.</b>	<b>AUTHORISED EQUITY CAPITAL</b>		
	71,00,000 Equity Shares of ₹10 each	710.00	
<b>B.</b>	<b>ISSUED, SUBSCRIBED &amp; PAID - UP CAPITAL BEFORE THE ISSUE</b>		
	50,91,099 fully paid Equity Shares of ₹10 each	509.11	
<b>C.</b>	<b>PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS#</b>		
	20,00,000 Equity Shares of ₹10 each at a premium of ₹20 per share	200.00	600.00
	<b>Which Comprises</b>		
(I)	Reservation for Market Maker 1,04,000 Equity Shares of ₹10 each at a premium of ₹20 will be available for allocation to Market Maker	10.40	31.20
(II)	Net Issue to the Public 18,96,000 Equity Shares of ₹10 each at a premium of ₹20 per share	189.60	568.80
	<b>Of Which</b>		
(I)	9,48,000 Equity Shares of ₹10 each at a premium of ₹20 per share shall be available for allocation for Investors applying for a value of upto ₹2 lacs	94.80	284.40
(II)	9,48,000 Equity Shares of ₹10 each at a premium of ₹20 per share shall be available for allocation for Investors applying for a value of above ₹2 lacs	94.80	284.40
<b>D.</b>	<b>ISSUED, SUBSCRIBED AND PAID UP CAPITAL AFTER THE PRESENT ISSUE</b>		
	70,91,099 Equity Shares of ₹10 each	709.11	
<b>E.</b>	<b>SHARE PREMIUM ACCOUNT</b>		
	Share Premium account before the Issue		247.26
	Share Premium account after the Issue		647.26

**Note:**

#The present issue of 20,00,000 equity shares in terms of this Draft Prospectus has been authorised by a resolution of our Board dated May 13, 2017 and by a special resolution passed pursuant to Section 62 (1) (C) of the Companies Act, 2013 at the EGM by the shareholders of our Company held on May 24, 2017.

**Class of Shares**

The company has only one class of shares i.e. Equity shares of ₹10 each only.

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

**Changes in Authorized Share Capital:**

Sr. No.	Particulars of Increase	Cumulative no. of equity shares	Cumulative Authorised Share Capital	Date of Meeting	Whether AGM/EGM
---------	-------------------------	---------------------------------	-------------------------------------	-----------------	-----------------

1.	On incorporation	10,000	1,00,000	-	-
2.	Increase from 1.00 Lacs to 2.00 Lacs	20,000	2,00,000	August 01, 2014	EGM
3.	Increase from 2.00 Lacs to 6.80 Crore	68,00,000	6,80,00,000	May 24, 2017	EGM
4.	Increase from 6.80 Crore to 7.10 Crore	71,00,000	7,10,00,000	August 17, 2017	EGM

#### Notes to the Capital Structure:

##### 1. Share Capital History:

Our existing Share Capital has been subscribed and allotted as under:

Date	No. of Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Consideration	Remarks	Cumulative Number of Equity Shares	Cumulative paid up share capital (In ₹)	Cumulative Share Premium (In ₹)
May 18, 2013	10,000	10	10	Cash	Subscribers to the Memorandum	10000	100,000	-
November 05, 2015	2,107	10	12500	Cash	Right Issue	12,107	1,21,070	2,63,16,430
August 17, 2017	12,121	10	330	Other than Cash	Conversion of Loan	24,228	2,42,280	3,01,95,150
August 22, 2017	1,40,001	10	330	Cash	Further allotment on Preferential Basis	1,64,229	16,42,290	7,49,95,470
September 05, 2017	49,26,870	10	N.A.	Other than Cash	Bonus Issue in the ratio of 30:1	50,91,099	5,09,10,990	2,57,26,770

#### Note:

Our Company has issued following Equity Share for consideration other than cash:

##### 1. Conversion of Loan on August 17, 2017:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Three D Enterprises Private Limited	12,121

##### 2. Bonus Share on September 05, 2017 to the following persons a ratio of 30:1 :

Sr. No.	Name of Person	No. of Shares Allotted
1.	Mrs. Pallavi Dam	14,53,830
2.	Mr. Anirvan Dam	9,92,640
3.	Mr. Timir Solanki	3,24,930
4.	Mr. Harjit Kumar	3,24,930
5.	Mr. Lovekesh Sharma	1,29,990
6.	Mr. Ramesh Iyer	2,280
7.	Mr. Amol Maheshwari	1,530
8.	Mr. Kunal Mhaske	1,530
9.	Mr. Amit Khombhadia	1,530
10.	Mr. Kishor Gokhru	8,80,320
11.	Mr. Jittin Thazath	7,260
12.	Mr. Bhanu Prakash Inani	3,630
13.	Mr. Jiffin Thazath	3,630
14.	Mr. Bijoy Mathews	4,380
15.	Mr. Nitesh Batra	42,600
16.	Mr. Manoj Nuthakki	85,230
17.	Mr. Nishchal Bhatt	3,000

18.	Suncare Traders Limited	3,00,000
19.	Three D Enterprises Private Limited	3,63,630
<b>Total</b>		<b>49,26,870</b>

Further, our Company has not allotted any Equity Shares pursuant to any scheme approved under section 391-394 of the Companies Act, 1956.

Details of Capitalization of the reserves is given here below:

Date of allotment of Bonus Shares	Ratio of Bonus issue	Number of Equity shares issued as Bonus Shares	Face value of the shares (Rs.)	Amount of Reserves Capitalized
September 05, 2017	30:1	49,26,870	10	4,92,68,700

## 2. Share Capital Build-up of our Promoters & Lock-in

Our Promoters had been allotted Equity Shares from time to time. The following is the Equity share capital build-up of our Promoters.

Date of Allotment / Transfer	Nature of Issue/ Allotment (Bonus, Rights etc)	Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	Face Value (₹)	Issue/Transfer	% of total Issued Capital		Lock in Period
							Pre-Issue	Post-Issue	
<b>(i) Mrs. Pallavi Dam</b>									
May 22, 2013	Subscribers to the Memorandum	10	5,000	5,000	10	Issue	0.10	0.07	
October 16, 2014	Transfer	10	1,666	6,666	10	Transfer	0.03	0.02	
March 20, 2015	Transfer	10	-2,792	3,874	10	Transfer	-0.06	-0.04	
February 12, 2016	Transfer	10	-100	3,774*	10	Transfer	Less than -0.01	Less than -0.01	*3,774 Equity Shares for 3 Years
August 22, 2017	Further Allotment on Preferential Basis	330	44,687*	48,461	10	Issue	0.88	0.63	*44,687 Equity Shares for 3 Year
September 05, 2017	Bonus	N.A.	14,53,830	15,02,291	10	-	28.56	20.50	
September 29, 2017	Transfer	40	-17,244	14,85,047	10	Transfer	-0.34	-0.24	
September 29, 2017	Transfer	40	-11,782	14,73,265	10	Transfer	-0.23	-0.17	
September 29, 2017	Transfer	40	-11,782	14,61,483	10	Transfer	-0.23	-0.17	
September 29, 2017	Transfer	40	-11,782	14,49,701	10	Transfer	-0.23	-0.17	
September 29, 2017	Transfer	40	-86,750	13,62,951	10	Transfer	-1.70	-1.22	
September 29, 2017	Transfer	40	-43,375	13,19,576	10	Transfer	-0.85	-0.61	
September 29, 2017	Transfer	40	-43,375	12,76,201	10	Transfer	-0.85	-0.61	
September 29, 2017	Transfer	40	-52,337	12,23,864	10	Transfer	-1.03	-0.74	
September 29, 2017	Transfer	40	-35,847	11,88,017	10	Transfer	-0.70	-0.51	11,39,556 Shares 3 years
	<b>Total (A)</b>		<b>11,88,017</b>				<b>23.34</b>	<b>16.75</b>	
<b>(ii) Mr. Anirvan Dam</b>									
May 22, 2013	Subscribers to the Memorandum	10	5,000	5,000	10	Issue	0.09	0.07	
October 16, 2014	Transfer	10	-2,800	2,200*	10	Transfer	-0.05	-0.04	*2,200 Equity Shares for 3 years
March 20, 2015	Transfer	10	619	2,819	10	Transfer	0.01	Less than -0.01	3 years
August 22, 2017	Further Allotment on Preferential Basis	330	30,269	33,088	10	Issue	0.60	0.43	3 years
September 05, 2017	Bonus	N.A.	9,92,640	10,25,728	10	-	19.50	14.00	3 years
			<b>10,25,728</b>			-	<b>20.15</b>	<b>14.47</b>	

As per clause (a) sub-regulation (1) Regulation 32 of the SEBI ICDR Regulations, not less than 20.00 % (i.e. 14,18,220 Equity Shares) of the post-Issue Equity Share Capital of our Company shall be required to be locked in by our Promoter for three years. However 39,29,254 Equity Shares, constituting 55.41% of Post Issue Capital which consist 22,13,745 Equity Shares(31.22% of post issue capital) of promoters and 17,15,509 equity shares (24.19% of post issue capital) promoter group will be locked in for three years by the Company as per details given below:

Sr. No.	Name of Share Holder	Promoter / Promoter Group	No. of Shares	% of Holding (Pre Issue)	% of Holding (Post Issue)	Lock in
1.	Mrs. Pallavi Anirvan Dam	Promoter	11,88,017	23.34	16.75	3 years
2.	Mr. Anirvan Dam	Promoter	10,25,728	20.15	14.47	
3.	Mr. Timir Solanki	Promoter Group	3,35,761	6.60	4.73	
4.	Mr. Harjit Kumar	Promoter Group	3,35,761	6.60	4.73	
5.	Mr. Lovekesh Sharma	Promoter Group	1,34,323	2.64	1.89	
6.	Mr. Kishor Gokhru	Promoter Group	9,09,664	17.87	12.83	
<b>Total</b>			<b>39,29,254</b>	<b>77.18</b>	<b>55.41</b>	

The lock-in shall commence from the date of allotment in the proposed public issue and the last date of lock-in shall be reckoned as three years from the date of commencement of commercial production or the date of allotment in the public issue whichever is later. (“**Minimum Promoters’ contribution**”).

The Promoters’ contribution has been brought in to the extent of not less than the specified minimum amount and has been contributed by the persons defined as Promoter under the SEBI ICDR Regulations. Our Company has obtained written consents from our Promoters and promoters group for the lock-in of 39,29,254 Equity Shares.

We confirm that the Promoters’ contribution of 31.22% of post issue capital as per Regulation 33 of the SEBI ICDR Regulations which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets;
- Equity Shares acquired during the preceding three years resulting from a bonus issue by utilisation of revaluation reserves or unrealized profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoters’ contribution;
- Equity Shares acquired by Promoter during the preceding one year at a price lower than the price at which equity shares are being offered to public in the Issue; or equity shares pledged with any creditor.
- Further, our Company has not been formed by the conversion of a partnership firm into a company and no Equity Shares have been allotted pursuant to any scheme approved under Section 232-234 of the Companies Act, 2013.

### 3. Equity Shares locked-in for one year

39,29,254 Equity Shares, constituting 55.41% of Post Issue Capital of our Company locked-in for three years and the balance Pre-Issue Paid-up Equity Share Capital i.e. 11,61,845 Equity Shares, would be locked-in for a period of one year from the date of Allotment in the proposed Initial Public Offering.

### 4. Other requirements in respect of ‘lock-in’

In terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters’ prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 37 of the SEBI ICDR Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable.

In terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters which are locked in as per the provisions of Regulation 36 of the SEBI ICDR Regulations, may be transferred to

and amongst Promoters / members of the Promoter Group or to a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable.

In terms of Regulation 39 of the SEBI ICDR Regulations, the locked-in Equity Shares held by our Promoter can be pledged only with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the following:

- If the specified securities are locked-in in terms of sub-regulation (a) of Regulation 36 of the SEBI ICDR Regulations, the loan has been granted by such bank or institution for the purpose of financing one or more of the objects of the issue and the pledge of specified securities is one of the terms of sanction of the loan;
  - If the specified securities are locked-in in terms of sub-regulation (b) of Regulation 36 of the SEBI ICDR Regulations and the pledge of specified securities is one of the terms of sanction of the loan.
5. Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
  6. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI Share Based Employee Benefits Regulations, 2014.
  7. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the LM and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines
  8. Our Company has not issued any Equity Shares during a period of one year preceding the date of the Draft Prospectus at a price lower than the Issue price. However, our Company has issued Bonus Shares on September 05, 2017.

Sr. No.	Name of Person	No. of Shares Allotted	Promoter / Promoter Group
1.	Mrs. Pallavi Dam	14,53,830	Promoter
2.	Mr. Anirvan Dam	9,92,640	Promoter
3.	Mr. Timir Solanki	3,24,930	Promoter Group
4.	Mr. Harjit Kumar	3,24,930	Promoter Group
5.	Mr. Lovekesh Sharma	1,29,990	Promoter Group
6.	Mr. Kishor Gokhru	8,80,320	Promoter Group
7.	Mr. Ramesh Iyer	2,280	Public
8.	Mr. Amol Maheshwari	1,530	Public
9.	Mr. Kunal Mhaske	1,530	Public
10.	Mr. Amit Khombhadia	1,530	Public
11.	Mr. Jittin Thazath	7,260	Public
12.	Mr. Bhanu Prakash Inani	3,630	Public
13.	Mr. Jiffin Thazath	3,630	Public
14.	Mr. Bijoy Mathews	4,380	Public
15.	Mr. Nitesh Batra	42,600	Public
16.	Mr. Manoj Nuthakki	85,230	Public
17.	Mr. Nishchal Bhatt	3,000	Public
18.	Suncare Traders Limited	3,00,000	Public
19.	Three D Enterprises Private Limited	3,63,630	Public
<b>Total</b>		<b>49,26,870</b>	

## 9. Our shareholding pattern

The shareholding pattern of our Company before the issue as per Regulation 31 of the SEBI LODR Regulations, 2015 is given here below:



**i. Summary of Shareholding Pattern:**

Category (I)	Category of shareholder (II)	Nos of shareholders (III)	No of fully paid-up equity shares held (IV)	No of Partly paid-up equity shares held (V)	No of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights	Class eg: X	Class eg: Y	Total as a % of (A+B+C)			No.	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(A)	<b>Promoter &amp; Promoter Group</b>	<b>6</b>	<b>39,29,254</b>	<b>0</b>	<b>0</b>	<b>39,29,254</b>	<b>77.18</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>77.18</b>	<b>0</b>	<b>0</b>	<b>N.A</b>	<b>N.A</b>	<b>0</b>
(B)	<b>Public</b>	<b>13</b>	<b>11,61,845</b>	<b>0</b>	<b>0</b>	<b>11,61,845</b>	<b>22.82</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>22.82</b>	<b>0</b>	<b>0</b>	<b>N.A</b>	<b>N.A</b>	<b>0</b>
(C)	<b>Non Promoter-Non Public</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N.A</b>	<b>N.A</b>	<b>0</b>
(C1)	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N.A	N.A	0
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N.A	N.A	0
		<b>19</b>	<b>50,91,099</b>	<b>0</b>	<b>0</b>	<b>50,91,099</b>	<b>100.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100.00</b>	<b>0</b>	<b>0</b>	<b>N.A</b>	<b>N.A</b>	<b>0</b>

**ii. Shareholding Pattern of the Promoter and Promoter Group:**

Sr. No.	Category & Name of the shareholders (I)	PAN (II)	Nos of shareholder (II I)	No of fully paid-up equity shares held (IV)	Partly paid-up equity shares held (V)	No of shares under lying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Share holding % calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights					Total as a % of Total Voting Rights	No. (a)	As a % of total shares held (b)	No. (a)		As a % of total shares held (b)
									Class X	Class Y	Total								
(1)	<b>Indian</b>																		
(a)	<b>Individuals/H.U.F</b>		<b>6</b>	<b>39,29,254</b>	<b>0</b>	<b>0</b>	<b>39,29,254</b>	<b>77.18</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>77.18</b>	-	-	-	-	<b>0</b>
1	Mr. Anirvan Dam	AIXPD0902F		10,25,728	0	0	10,25,728	20.15	0	0	0	0	0	20.15	-	-	-	-	0
2	Mrs. Pallavi Dam	AIXPD0901G		11,88,017	0	0	11,88,017	23.34	0	0	0	0	0	23.34	-	-	-	-	0
3	Mr. Timir Solanki	APXPS7499P		3,35,761	0	0	3,35,761	6.59	0	0	0	0	0	6.60	-	-	-	-	0
4	Mr. Harjit Kumar	AOHPK3312C		3,35,761	0	0	3,35,761	6.59	0	0	0	0	0	6.60	-	-	-	-	0
5	Mr. Lovekesh Sharma	AVAPS2137F		1,34,323	0	0	1,34,323	2.64	0	0	0	0	0	2.64	-	-	-	-	0
6	Mr. Kishor Gokhru	AAZPG4381K		9,09,664	0	0	9,09,664	17.87	0	0	0	0	0	17.87	-	-	-	-	0
(b)	Central/State Government(s)		0	0	0	0	0	0.00	0	0	0	0	0	0.00	-	-	-	-	0
(c)	Financial		0	0	0	0	0	0.00	0	0	0	0	0	0.00	-	-	-	-	0

	Institutions/Banks																		
(d)	<b>Any Other (Specify)</b>																		0
	<b>Bodies Corporate</b>	0	0	0	0	0	0.00	0	0	0	0	0	0.00	-	-	-	-	0	
	<b>Sub- Total (A)(1)</b>	<b>6</b>	<b>39,29,254</b>	<b>0</b>	<b>0</b>	<b>39,29,254</b>	<b>77.18</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>77.18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	
(2)	<b>Foreign</b>																		
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0	0	0	0	0.00	0	0	0	0	0	0	-	-	-	-	0	
(b)	Government	0	0	0	0	0	0.00	0	0	0	0	0	0	-	-	-	-	0	
(c)	Institutions	0	0	0	0	0	0.00	0	0	0	0	0	0	-	-	-	-	0	
(d)	Foreign Portfolio Investor	0	0	0	0	0	0.00	0	0	0	0	0	0	-	-	-	-	0	
(e)	Any Other (Specify)	0	0	0	0	0	0.00	0	0	0	0	0	0	-	-	-	-	0	
	<b>Sub- Total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	
	<b>Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)</b>	<b>6</b>	<b>39,29,254</b>	<b>0</b>	<b>0</b>	<b>39,29,254</b>	<b>77.18</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>77.18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	

iii. Shareholding Pattern of our Public Shareholder:

Sr. No.	Category & Name of the shareholders (I)	PAN (II)	Nos of shareholder (III)	No of fully paid-up equity shares held (IV)	Partly paid-up equity shares held (V)	No of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percent age of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)	As a % of total shares held (Not applicable)(b)	Number of equity shares held in dematerialized form (XIV)
									No of Voting Rights									
									Class X	Class Y	Total			Total as a % of Total Voting Rights	No. (a)			
<b>(1)</b>	<b>Institutions</b>																	
(a)	Mutual Fund/UTI	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Venture Capital Funds	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investors	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Financial	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	Institutions Banks																		
(g)	Insurance Companies	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/Pension Funds	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Any Other (specify)	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub- Total (B)(1)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	-	-	<b>0</b>
(2)	<b>Central Government/State Government(s)/P resident of India</b>		<b>0</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub- Total (B)(2)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	-	-	<b>0</b>
(3)	<b>Non- Institutions</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	-	-	-
(a)	<b>i.Individual shareholders holding nominal share capital up to Rs.2 lakhs.</b>		<b>4</b>	<b>59,689</b>	<b>0</b>	<b>0</b>	<b>59,689</b>	<b>1.17</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1.17</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>ii.Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.</b>		<b>7</b>	<b>4,16,405</b>	<b>0</b>	<b>0</b>	<b>4,16,405</b>	<b>8.18</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8.18</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
1.	Mr. Jittin Thazath	AGCPJ2718G		94,252	0	0	94,252	1.85	0	0	0	0	0	1.85	0	0	0	0	0
2.	Mr. Bhanu Prakash Inani	AAAPI0521Q		47,126	0	0	47,126	0.93	0	0	0	0	0	0.93	0	0	0	0	0
3.	Mr. Jiffin Thazath	ADHPT7233N		47,126	0	0	47,126	0.93	0	0	0	0	0	0.93	0	0	0	0	0
4.	Mr. Bijoy Mathews	AGGPM4301E		56,863	0	0	56,863	1.11	0	0	0	0	0	1.12	0	0	0	0	0
5.	Mr. Nitesh Batra	BMSPB3943E		44,020	0	0	44,020	0.86	0	0	0	0	0	0.86	0	0	0	0	0
6.	Mr. Manoj Nuthakki	AHYPN5062E		88,071	0	0	88,071	1.73	0	0	0	0	0	1.73	0	0	0	0	0
7.	Mr. Nishchal Bhatt	AFAPB3592F		38,947	0	0	38,947	0.77	0	0	0	0	0	0.77	0	0	0	0	0

(b)	NBFCs registered with RBI		0	0	0	0	0	0.00	0	0	0	0	0	0	0	0	0	0	0
(c)	Employee Trust		0	0	0	0	0	0.00	0	0	0	0	0	0	0	0	0	0	0
(d)	Overseas Depositories (holding DRs) (balancing figure)		0	0	0	0	0	0.00	0	0	0	0	0	0	0	0	0	0	0
(e)	Any Other (Specify)		0	0	0	0	0	0.00	0	0	0	0	0	0	0	0	0	0	0
	<b>Boady Corporate</b>		<b>2</b>	<b>6,85,751</b>	<b>0</b>	<b>0</b>	<b>6,84,751</b>	<b>13.47</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13.47</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
1.	Suncare Traders Limited	AACCS1318N		310,000	0	0	310,000	6.09	0	0	0	0	0	6.09	0	0	0	0	0
2.	Three D Enterprises Private Limited	AACCT4891K		3,75,751	0	0	3,75,751	7.38	0	0	0	0	0	7.38	0	0	0	0	0
	<b>Sub- Total (B)(3)</b>		<b>13</b>	<b>11,61,845</b>	<b>0</b>	<b>0</b>	<b>11,61,845</b>	<b>22.82</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>22.82</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)</b>		<b>13</b>	<b>11,61,845</b>	<b>0</b>	<b>0</b>	<b>11,61,845</b>	<b>22.82</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>22.82</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**iv. Statement showing shareholding pattern of the Non Promoter-Non Public Shareholder:**

Sr. No.	Category & Name of the shareholders (I)	PAN (II)	Nos of shareholder (III)	No of fully paid-up equity shares held (IV)	Partly paid-up equity shares held (V)	No of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Total Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights					Total as a % of Total Voting Rights	No.	As a % of total shares held	No. (Not applicable)		As a % of total shares held (Not applicable)
									Class : X	Class : Y	Total								
<b>(1)</b>	<b>Custodian/DR Holder</b>																-	-	0
(a)	Name of DR Holder (If available)	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-	-	0
	<b>Sub total (C) (1)</b>	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-	-	0
(2)	<b>Employee Benefit Trust (Under SEBI (Share based Employee Benefit) Regulations, 2014)</b>	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-	-	0
	<b>Sub total (C) (2)</b>	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-	-	0
	<b>Total Non-Promoter – Non Public Shareholding(C) = (C) (1)+©(2)</b>	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-	-	0

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

**10. The shareholding pattern of our Promoter and Promoter Group before and after the Issue:**

Sr. No.	Name of share holder	Pre issue		Post issue	
		No of equity shares	As a % of Issued Capital	No of equity shares	As a % of Issued Capital
<b>(i) Promoters</b>					
1.	Mrs. Pallavi Dam	1,188,017	23.34	1,188,017	16.75
2.	Mr. Anirvan Dam	1,025,728	20.15	1,025,728	14.47
<b>Total (A)</b>		<b>2,213,745</b>	<b>43.48</b>	<b>2,213,745</b>	<b>31.22</b>
<b>(ii) Promoter Group</b>					
3.	Mr. Timir Solanki	335,761	6.59	335,761	4.73
4.	Mr. Harjit Kumar	335,761	6.59	335,761	4.73
5.	Mr. Lovekesh Sharma	134,323	2.64	134,323	1.89
6.	Mr. Kishor Gokhru	909,664	17.87	909,664	12.83
<b>Total (B)</b>		<b>17,15,509</b>	<b>33.70</b>	<b>17,15,509</b>	<b>24.19</b>
<b>Total (A+B)</b>		<b>3,929,254</b>	<b>77.18</b>	<b>3,929,254</b>	<b>55.41</b>
<b>(iii) Public</b>					
7.	Mr. Ramesh Iyer	19,600	0.38	19,600	0.28
8.	Mr. Amol Maheshwari	13,363	0.26	13,363	0.19
9.	Mr. Kunal Mhaske	13,363	0.26	13,363	0.19
10.	Mr. Amit Khombhadia	13,363	0.26	13,363	0.19
11.	Mr. Jittin Thazath	94,252	1.85	94,252	1.33
12.	Mr. Bhanu Prakash Inani	47,126	0.93	47,126	0.66
13.	Mr. Jiffin Thazath	47,126	0.93	47,126	0.66
14.	Mr. Bijoy Mathews	56,863	1.11	56,863	0.80
15.	Mr. Nitesh Batra	44,020	0.86	44,020	0.62
16.	Mr. Manoj Nuthakki	88,071	1.73	88,071	1.24
17.	Mr. Nishchal Bhatt	38,947	0.77	38,947	0.55
18.	Suncare Traders Limited	310,000	6.09	310,000	4.37
19.	Three D Enterprises Private Limited	375,751	7.38	375,751	5.30
<b>Total (C)</b>		<b>1,161,845</b>	<b>22.82</b>	<b>1,161,845</b>	<b>16.38</b>
<b>IPO (D)</b>		<b>-</b>	<b>-</b>	<b>20,00,000</b>	<b>28.20</b>
<b>Grand Total (Total A+B+C+D)</b>		<b>50,91,099</b>	<b>100.00</b>	<b>70,91,099</b>	<b>100.00</b>

11. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Prospectus until the Equity Shares have been listed. Further, our Company presently does not have any intention or proposal to alter our capital structure within a period of six months from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise except that if we enter into acquisition(s) or joint ventures, we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.
12. During the past six months immediately preceding the date of filing Draft Prospectus no Equity shares of the company have been purchased or sold by our Promoter, their relatives and associates, persons in Promoter Group [as defined under sub clause (zb) sub regulation (1) Regulation 2 of SEBI (ICDR) Regulations other than stated below on September 29, 2017 :

Sr. No.	Name of Transferor	Name of Transferee	Sale / Purchase of Shares	No. of Shares	Consideration (Per Share)
1.	Mrs. Pallavi Dam	Mr. Ramesh Iyer	Sale	17244	40



2.	Mrs. Pallavi Dam	Mr. Amol Maheshwari	Sale	11782	40
3.	Mrs. Pallavi Dam	Mr. Kunal Mhaske	Sale	11782	40
4.	Mrs. Pallavi Dam	Mr. Amit Khombhadia	Sale	11782	40
5.	Mrs. Pallavi Dam	Mr. Jittin Thazath	Sale	86750	40
6.	Mrs. Pallavi Dam	Mr. Bhanu Prakash Inani	Sale	43375	40
7.	Mrs. Pallavi Dam	Mr. Jiffin Thazath	Sale	43375	40
8.	Mrs. Pallavi Dam	Mr. Bijoy Mathews	Sale	52337	40
9.	Mrs. Pallavi Dam	Mr. Nishchal Bhatt	Sale	35847	40

13. The members of the Promoter Group, our Directors or the relatives of our Directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months preceding the date of filing of the Draft Prospectus.
14. Our Company, our Promoter, our Directors and the Lead Manager to this Issue have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares issued by our Company through the Draft Prospectus.
15. There are no safety net arrangements for this public issue.
16. As on the date of filing of the Draft Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
17. All the Equity Shares of our Company are fully paid up as on the date of the Draft Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.
18. As per RBI regulations, OCBs are not allowed to participate in this Issue.

**19. Particulars of top ten shareholders:**

**(a) Particulars of the top ten shareholders as on the date of the Draft Prospectus:**

Sr. No.	Name of shareholder	No. of Shares	% of Shares to Pre-Issue Capital
1.	Mrs. Pallavi Dam	1188017	23.34
2.	Mr. Anirvan Dam	1025728	20.15
3.	Mr. Kishor Gokhru	909664	17.87
4.	Three D Enterprises Private Limited	375751	7.38
5.	Mr. Timir Solanki	335761	6.59
6.	Mr. Harjit Kumar	335761	6.59
7.	Suncare Traders Limited	310000	6.09
8.	Mr. Lovekesh Sharma	134323	2.64
9.	Mr. Manoj Nuthakki	88071	1.73
10.	Mr. Nitesh Batra	44020	0.86
<b>Total</b>		<b>4747096</b>	<b>93.24</b>

**(b) Particulars of top ten shareholders ten days prior to the date of the Draft Prospectus:**

Sr. No.	Name of shareholder	No. of Shares	% of Shares to Pre-Issue Capital
1.	Mrs. Pallavi Dam	1188017	23.34
2.	Mr. Anirvan Dam	1025728	20.15
3.	Mr. Kishor Gokhru	909664	17.87
4.	Three D Enterprises Private Limited	375751	7.38
5.	Mr. Timir Solanki	335761	6.59
6.	Mr. Harjit Kumar	335761	6.59

7.	Suncare Traders Limited	310000	6.09
8.	Mr. Lovekesh Sharma	134323	2.64
9.	Mr. Manoj Nuthakki	88071	1.73
10.	Mr. Nitesh Batra	44020	0.86
<b>Total</b>		<b>4747096</b>	<b>93.24</b>

**(c) Particulars of the top ten shareholders two years prior to the date of the Draft Prospectus**

Sr. No	Name of shareholder	No. of Shares	% of Shares to Pre-Issue Capital
1.	Mrs. Pallavi Dam	3874	38.74
2.	Mr. Anirvan Dam	2819	28.19
3.	Mr. Kishor Gokhru	1017	10.17
4.	Mr. Timir Solanki	564	5.64
5.	Mr. Harjit Kumar	564	5.64
6.	Mr. Lovekesh Sharma	564	5.64
7.	Mr. Jittin Thazath	242	2.42
8.	Mr. Bhanu Prakash Inani	121	1.21
9.	Mr. Ramesh Iyer	76	0.76
10.	Mr. Amol Maheshwari	51	0.51
11.	Mr. Kunal Mhaske	51	0.51
12.	Mr. Amit Khombhadia	51	0.51
<b>Total</b>		<b>9,994</b>	<b>99.94</b>

20. Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds.
21. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
22. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
23. No payment, direct or indirect in the nature of discount, commission, allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
24. We have 19 shareholders as on the date of filing of the Draft Prospectus.
25. Our Promoter and the members of our Promoter Group will not participate in this Issue.
26. Our Company has not made any public issue since its incorporation.
27. Neither the Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of the Draft Prospectus.
28. Our Company shall ensure that transactions in the Equity Shares by the Promoter and the Promoter Group between the date of registering Prospectus with the Registrar of Companies and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.

## SECTION IV - PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The objects of the Issue are:

1. To set up healthcare Clinics and purchase of interiors, furniture and allied infrastructure;
2. General Corporate Purpose;
3. Meeting Public Issue Expenses.

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

The main object clause of Memorandum of Association of our Company enables us to undertake the existing activities and the activities for which the funds are being raised by us through the present Issue.

### FUND REQUIREMENTS

We intend to utilize the proceeds of the Fresh Issue, in the manner set forth below:

#### Requirement of Funds

(₹ In lacs)			
Sr. No.	Particulars	Amount	% of the Total Issue Size
1)	To set up healthcare Clinics and purchase of interiors, furniture and allied infrastructure	400.00	66.67
2)	General Corporate Purpose	140.00	23.33
3)	Public Issue Expenses	60.00	10.00
	<b>Total</b>	<b>600.00</b>	<b>100.00</b>

#### Means of Finance

(₹ In Lacs)		
Sr. No.	Particulars	Amount
1)	Proceeds from Initial Public Offer	600.00
	<b>Total</b>	<b>600.00</b>

We propose to meet the requirement of funds for the stated objects of the Issue from the IPO Proceeds. Hence, no amount is required to be raised through means other than the Issue Proceeds. Accordingly, the requirements under Regulation 4 (2) (g) of the SEBI ICDR Regulations and Clause VII C of Part A of Schedule VIII of the SEBI ICDR Regulations (which requires firm arrangements of finance through verifiable means for 75% of the stated means of finance, excluding the Issue Proceeds and existing identifiable internal accruals) are not applicable.

Our fund requirements and deployment thereof are based on the estimates of our management. These are based on current circumstances of our business and are subject to change in light of changes in external circumstances or costs, or in our financial condition and business or strategy. Our management, in response to the dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Proceeds and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Proceeds. In case of a shortfall in the Net Proceeds, our management may explore a range of options which include utilisation of our internal accruals, debt or equity financing. Our management expects that such alternate arrangements would be available to fund any such shortfall.

No part of the issue proceeds will be paid as consideration to Promoters, Promoter Group, Group Entities, directors, Key Managerial Personnel and associates.

## DETAILS OF THE OBJECTS OF THE ISSUE

### 1. To set up healthcare Clinics and purchase of interiors, furniture and allied infrastructure

Our company is having one of the clinic in Harinivas at Mumbai which is taken on leased basis and being run on Owned-Revenue Sharing Model, where we hire the premises on a lease basis generally for a period of 2-3 years. We tie up with Doctors and issue a letter of Intent to Doctors to visit our clinic for 2-4 hours in a day and render their service against which we would be sharing 30% to 50% of Net profit with Doctor partners. In Owned-Revenue sharing Model, we make the investment in modern interiors and fixed assets like (furniture, computer, printer, Chairs, Air condition, Refrigerator, Glow sign Boards, Paraphernalia, Standees etc) and other expenditure towards restructuring the premises, paints, flooring, POP's (Plaster of paris work) as per our uniform specific design etc in setting up the clinic, the investment cost to set up one clinic ranges between Rs. 15-20 Lakhs.

It is our aim to ensure that our clinics are fitted with modern interiors and furniture, which are required for institutions such as ours which offer professional medical services. To this end, we intend to adequately furnish our clinics which are being set up in Mumbai, Ahmedabad and Bhubaneswar with a mixed range of medical and carpentry furniture, modular furniture, chairs, and curtains.

However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the requirements, or at the same costs.

None of the vendors of the proposed procurements are related to the Promoters or Directors of our Company. In pursuit of our growth strategy and to have multi locational operations our management pursuant to Board's discussion in the Board meeting dated May 13, 2017 decided for business expansion by increasing in number of clinics on Owned Revenue Sharing model and purchase of interiors, furniture and allied infrastructure. Our Company has received quotation from TOP Interiors, dated September 22, 2017 for setting up a clinic in area consisting of 1000 Sq feet of office. The validity of Quotation is six months from the date of issuance our company is intending to setup 19-20 clinics. The detail break up cost of setting up one clinic of area ranging 1000 square feet is as follow:

Sr. No.	Task	Sq Feet	Rate (including GST)	Quotation- Amount (In Rs.)
1.	Wooden Partition and Glass	1540	450	6,93,000
2.	Door	121.875	1140	1,38,937.50
3.	Door Pentry			24,000
4.	Bed	75	1235	92,625
5.	Tables	62.5	1650	1,03,125
6.	Reception	61.25	1400	85,750
7.	Sofa	48.75	825	40,218.75
8.	Cealing TKC	80	250	20,000
9.	Cealing Gypsum Board	1280	85	1,08,800
10.	Light Point	237.5	850	2,01,875
11.	Print Royal Sain	4250	25	1,06,250
12.	Pentry			59,400
13.	AC Labour Pipe			9,900
	<b>Sub Total (A)</b>			<b>16,83,881.25</b>
14.	Light+ Exhaust+ fan+ Strip Light	26	1100	28,600
15.	Chairs	6	4000	24,000
16.	Inventors			36,500
17.	Speaker	2	500	1,000
18.	CCTV	2		20,000
19.	Air Condition	2		1,08,000
20.	TV	1		23,000
21.	Fridge	1		7,500

22.	Printer Scanner Copier			10,290
23.	Computers	2		40,000
24.	Walls Sun Board Print			67,000
25.	Sign Board	60	300	18,000
26.	Invitation Card	500	7	3,500
27.	Play Area	1		24,000
	Sub Total (B)			4,11,390
	<b>Total (A+B)</b>			<b>20, 95, 271.25</b>

Pursuant to our Board's discussion in the Board meeting dated May13, 2017, we intend to utilize Rs.400.00 lacs from the Net Proceeds towards expansion of business by setting up the clinics. This amount is based on our management's current estimates of the amounts to be utilized towards this Object, considering our discussions and negotiations with potential targets and other relevant considerations. The proceeds of the Issue may not be the total value of the setting up the premises which may include the deposits of the premises, but it provide us with enough leverage to contract. As on the date of this Draft Prospectus, we have not entered into any definitive agreements towards any such acquisition of premises for other clinics except one clinic in Harinivas at Mumbai.

## 2. GENERAL CORPORATE PURPOSE :

The application of the Issue proceeds for general corporate purposes would include but not be restricted to financing our working capital requirements, capital expenditure, deposits for hiring or otherwise acquiring business premises, meeting exigencies etc. which we in the ordinary course of business may incur. Our Management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to use Rs.140.00 lacs for general corporate purposes.

## 3. PUBLIC ISSUE EXPENSES :

The expenses of this Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, advertising expenses and listing fees. The estimated Issue expenses are as follows:

			(₹. in lacs)
Sr. No.	Particulars		Amount
1.	Payment to Merchant Banker including fees and reimbursements of Market Making Fees, selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Registrars, Bankers etc and other out of pocket expenses.		42.00
2.	Printing & Stationery and Postage Expenses		3.00
3.	Marketing and Advertisement Expenses		5.00
4.	Regulatory fees and other expenses		7.00
5.	Other Miscellaneous expenses		3.00
	<b>Total</b>		<b>60.00</b>

## Schedule of Implementation

All funds raised through this issue, are proposed to be utilized in the F.Y. 2017-18 and 2018-19.

## Deployments of funds already deployed till date:

As certified by the Auditors of our Company, viz., M/s. Doshi Maru & Associates, Chartered Accountants vide its certificate dated October 03, 2017 the funds deployed upto September 27, 2017 towards the object of the Issue is NIL.

## Details of Fund Deployment

(₹ in Lacs)

Sr.	Particulars	Object of	Amount	Amount to be Spend
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No.		the Issue	spent upto September 27, 2017	September 28, 2017 onwards F.Y. 2017- 18	F.Y. 2018-19
1)	To set up healthcare Clinics and purchase of interiors, furniture and allied infrastructure	400.00	NIL	150.00	250.00
2)	General Corporate Purpose	140.00	NIL	Nil	140.00
3)	Public Issue Expenses	60.00	NIL	60.00	NIL
	<b>Total</b>	<b>600.00</b>	<b>NIL</b>	<b>210.00</b>	<b>390.00</b>

### Appraisal Report

None of the objects for which the Issue Proceeds will be utilised have been financially appraised by any financial institutions / banks.

### Bridge Financing Facilities

We have currently not raised any bridge loans against the Net Proceeds. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Issue Proceeds.

### Interim Use of Funds

Pending utilisation for the purpose described above, we intend to deposit the funds with Scheduled Commercial banks included in the second schedule of Reserve Bank of India Act, 1934. Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets.

### Variation on Objects

In accordance with Section 13(8) and 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the issue without our Company being authorised to do so by the shareholders by way of Special Resolution through postal ballot. Our promoter or controlling shareholders will be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as prescribed by SEBI, in this regard.

### Shortfall of Funds

In case of a shortfall in the Net Proceeds, our management may explore a range of options which include utilisation of our internal accruals, debt or equity financing. Our management expects that such alternate arrangements would be available to fund any such shortfall.

### Monitoring of Issue proceeds

As the size of the Issue will not exceed ₹ 10,000 Lacs, the appointment of Monitoring Agency would not be required as per Regulation 16 of the SEBI ICDR Regulations. Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee.

Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Draft Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full.

## BASIS FOR ISSUE PRICE

The Issue Price is determined by our Company in consultation with the Lead Manager. The financial data presented in this section are based on our Companies restated financial statements. Investors should also refer to the sections titled "Risk Factors" and "Financial Information" on pages no. 8 and 113, respectively, of the Draft Prospectus to get a more informed view before making the investment decision.

### Qualitative Factors

1. Unique and exclusive offerings to the Doctors
2. Well management team
3. Geographical presence
4. Innovative and easy adaptability of our Products and services

For details of Qualitative factors please refer to the paragraph "Our Competitive Strengths" in the chapter titled "Business Overview" beginning on page no. 65 of the Draft Prospectus.

### Quantitative Factors

Information presented in this chapter is derived from our Restated Financial Statements

#### 1. Basic & Diluted Earnings Per Share (EPS):

Period	Basic EPS (pre Bonus)	Diluted Basic EPS (post Bonus)	Weightage
Year ended March 31, 2015	(791.64)	(1.60)	1
Year ended March 31, 2016	(1,020.74)	(2.24)	2
<b>Year ended March 31, 2017</b>	115.05	0.28	3
<b>Weighted Average</b>	<b>(414.67)</b>	<b>(0.87)</b>	
<b>September 05, 2017*</b>	13.81	0.05	

\* Not Annualised

#### Note

# Basic earnings per share (₹) = Net profit after tax (as restated) attributable to shareholders divided by Weighted average number of equity shares outstanding during the year.

# The face value of each Equity Share is ₹ 10.

#### 2. Price to Earnings (P/E) ratio in relation to Issue Price of ₹ 30:

Particulars	P/E at the Issue Price (₹ 30)
<b>Pre Bonus</b>	
a. Based on 2016-17 EPS of ₹ 115.05 (Basic)	0.26
b. Based on weighted average EPS of ₹(414.67)	N.A.#
<b>Post Bonus</b>	
c. Based on 2016-17 EPS of ₹0.28	107.14
b. Based on weighted average EPS of ₹(0.87)	N.A.#

# as our weighted average EPS is negative P/E ratio cannot be computed.

#### 3. Return on Net Worth#

Period	Return on Net Worth (%)	Weights
Year ended March 31, 2015	(66.54)	1
Year ended March 31, 2016	(329.44)	2

Year ended March 31,2017	29.29	3
Weighted Average	(0.84)	
September 05, 2017*	0.47	

\* Not Annualized

# Return on net worth (%) = Net Profit after tax as restated / Net worth at the end of the year

4.

- A. Minimum Return on Total Net Worth after issue need to maintain EPS at Rs. 115.05 (Pre Bonus)= 714.29 %
- B. Minimum Return on Total Net Worth after issue need to maintain EPS at Rs. 0.28 (Post Bonus)= 1.74 %
- C. Minimum Return on Total Net Worth after issue need to maintain EPS at (weighted) = N.A.#  
#as our weighted average EPS is negative this amount cannot be computed.

#### 5. Net Asset Value per Equity Share

Particular	Amount (in ₹)
As of March 31, 2017	0.96
As of September 05, 2017	10.65
NAV per Equity Share after the Issue	16.11
Issue Price per Equity Share	30

Net asset value per share (₹) = Net Worth at the end of the Year /Total number of equity shares outstanding at the end of the year

#### 6. Comparison of Accounting Ratios with peer group

There are no listed entities similar to our line of business and comparable to our scale of operations.

- 7. The face value of Equity Shares of our Company is ₹ 10 per Equity Share and the Issue Price is 3 times the face value.
- 8. The Issue Price of ₹ 30 is determined by our Company, in consultation with the Lead Manager is justified based on the above accounting ratios. For further details, please refer to the section titled "Risk Factors" and chapters titled "Business Overview" and "Financial Information" beginning on page no. 8, 65 and 113, respectively of the Draft Prospectus.



**STATEMENT OF POSSIBLE TAX BENEFITS**  
**STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS**  
**SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

To  
The Board of Directors,  
**Kids Medical Systems Limited**  
C101, Signor Residency,  
B/H Sanjay Tower,  
Shyamal Char Rasta,  
Satellite Ahmedabad -380015  
Dear Sirs,

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

We hereby report that the enclosed statement states the possible tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 (Act) and the Wealth-tax Act, 1957 (as amended by the Finance Act, 2016), 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 statute. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilment of such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfil.

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

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

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

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

**For Doshi Maru & Associates**  
**Chartered Accountants**

**Kirit Bheda**  
**Partner**  
**M. No. 031642**  
**FRN No. 0112187W**  
**Place : Jamnagar**  
**Date: September 14, 2017**

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

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

**A. SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)**

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

**B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)**

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

## SECTION V - ABOUT US

### INDUSTRY OVERVIEW

Disclaimer: Pursuant to the requirements of the SEBI ICDR Regulations, the discussion on the business of Our Company in this Prospectus consists of disclosures pertaining to industry grouping and classification. The industry grouping and classification is based on our Company's own understanding and perception and such understanding and perception could be substantially different or at variance from the views and understanding of third parties. Our Company acknowledges that certain product/services described in the Prospectus could be trademarks, brand names and/ or generic names of products owned by third parties and the reference to such trademarks, brand names and/or generic names in the Prospectus is only for the purpose of describing the products. The industry data has been collated from various industry and/or research publications and from information available from the World Wide Web. The information in this section is derived from various government/Industry Association publications and other sources. Neither we, nor any other person connected with the issue has verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and accordingly, investment decisions should not be based on such information.

### GLOBAL SCENARIO

Global economic activity and trade picked up modestly from the later part of 2016. The firming up of commodity prices led to some uptick in inflation in major advanced economies (AEs). Recessionary conditions ebbed in key commodity exporting emerging market economies (EMEs), setting the stage for a turnaround in EMEs as a group.

Since the MPR of October 2016, global growth picked up modestly towards end-2016, and is projected to improve further in 2017 by multilateral agencies. Growth in EMEs moderated in 2016, but is set to improve with the ebbing of recessionary conditions in key commodity exporting countries. Even though world trade appeared to have emerged out of a trough, new risks have emerged from an increasing tendency towards protectionist policies and heightened political tensions. Commodity prices have risen since late 2016 on improvement in US economic indicators such as strong labour market and consumer spending; infrastructure spending in China; and geopolitical concerns. Crude oil prices firmed after the OPEC announced curtailment of production. Inflation edged up on expectations of reflationary fiscal policies in the US, rising energy prices and a mild strengthening of demand.

International financial markets were impacted by the US election results and expectations of monetary policy tightening by the Federal Reserve, underpinned by hawkish forward guidance. Financial markets in EMEs briefly turned volatile after the US election due to large capital outflows leading to plunges in currency and equity markets. Nevertheless, average volatility remained contained by historical standards since Q4:2016. Bond yields hardened across the globe in tandem with US yields, before softening somewhat since mid-March. Strengthening of the US economy further buoyed the equity markets, while the increasing likelihood of more rate hikes by the Federal Reserve in 2017 hardened bond yields in AEs. The US dollar appreciated to a multi-year high in December and remained bullish.

(Source: Monetary Policy Repot - April 2017\_  
<https://www.rbi.org.in/scripts/PublicationsView.aspx?id=17454#C18>)

The Table below shows the Real GDP Growth (q-o-q, saar)

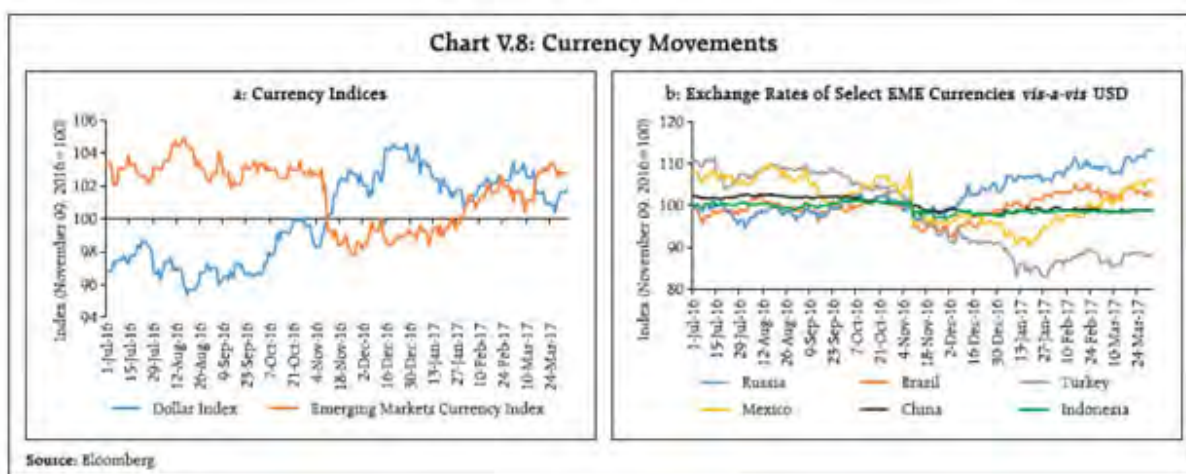
Country	Q4-2015	Q1-2016	Q2-2016	Q3-2016	Q4-2016	(Per cent)	
						2017 (P)	2018 (P)
Advanced Economies (AEs)							
US	0.9	0.8	1.4	3.5	2.1	2.3	2.5
Euro area	2.0	2.0	1.2	1.6	1.6	1.6	1.6
Japan	-1.0	1.9	2.2	1.2	1.2	0.8	0.5

UK	2.8	0.8	2.4	2.0	2.8	1.5	1.4
Canada	0.5	2.7	-1.2	3.8	2.6	1.9	2.0
Korea	2.8	2.0	3.6	2.0	2.0	3.0	3.1
Emerging Market Economies (EMEs)							
China	6.0	5.2	7.6	7.2	6.8	6.5	6.0
Brazil	-4.8	-2.4	-1.3	-2.9	-3.6	0.2	1.5
Russia*	-3.2	-0.4	-0.5	-0.4	0.3	1.1	1.2
South Africa	0.5	-1.5	3.1	0.4	-0.3	0.8	1.6
Thailand	2.5	4.3	4.2	1.7	1.7	3.3	3.1
Malaysia	4.8	4.0	2.8	5.6	5.6	4.6	4.7
Mexico	1.6	1.9	0.4	4.2	2.8	1.7	2.0
Saudi Arabia*	4.3	2.0	1.5	0.9	1.2	0.4	2.3
Memo:							
				<b>2016 (E)</b>	<b>2017 (P)</b>	<b>2018 (P)</b>	
World Output				3.1	3.4	3.6	
World Trade Volume				1.9	3.8	4.1	

With commodity and oil prices rebounding, spare capacity getting absorbed and inflation expectations firming up, there has been some uptick in inflation in major AEs in the recent period. Given the persisting economic slack, however, inflation remained below targets in most AEs. In the US, inflation sequentially accelerated in November and December to reach a level that was the highest since September 2014. However, core personal consumption expenditure (PCE) inflation remained stable at around 1.8 per cent during January and February 2017. Furthermore, 1-year USD inflation swap rate, which is an indicator of inflation expectations, has been stable since March 2017.

In a generally improving macroeconomic environment beginning in the second half of 2016, global financial markets were influenced by three events, viz., the US election, expectations and materialisation of the policy rate hike by the Federal Reserve, and uncertainty surrounding the Brexit roadmap.

Currency markets have been driven mainly by anticipation of policy initiatives by the new US administration and monetary policy stances in major AEs. The US dollar appreciated against most currencies beginning early November. It reached a 14-year high in December, before some reversal in Q1:2017 on uncertainty in realisation of Trump administration's policy initiatives and expectations of a slower pace of rate hikes by the Federal Reserve. The euro depreciated against the US dollar on political uncertainty. The pound was volatile against the US dollar – it gained during late November and early December on expectations of a favourable deal with the EU, but depreciated in January 2017 on resurfacing of uncertainty in the deal. The Japanese yen depreciated as yield spreads between Japan and the US/Euro area widened, before narrowing somewhat in Q1 of 2017.



To sum up, the modest turnaround in global recovery since the latter part of the previous year is projected to strengthen further. While AEs are likely to consolidate economic recovery, the ongoing slowdown in EMEs could reverse. Despite some firming up, inflation in AEs is expected to largely remain stable going by the 1-year inflation swap rate in the US. Economic activity and financial markets will continue to be impacted by political and policy uncertainties as well as monetary policy moves by major AEs.

(Source: Monetary Policy Report - April 2017\_  
<https://www.rbi.org.in/scripts/PublicationsView.aspx?id=17454#C18>)

## **OVERVIEW OF INDIAN ECONOMY**

Government took an initiative in November 2016 to withdraw the legal tender character of all existing Rs 500 and Rs 1000 currency notes in circulation to, inter alia, clean up the system and to tackle the menace of black money. This measure could have short-term costs, but has the potential to improve medium-to-long term growth prospects. Apart from the above, the measures that were taken by the Government in the previous years to boost manufacturing, employment generation, ease of doing business and transparency, including Make in India, Skill India, direct benefit transfer and measures for financial inclusion, were also taken forward in the current year.

### **GDP Growth**

As per the First Advanced Estimates released by the Central Statistics Office, the economy is estimated to grow at 7.1 per cent in 2016-17, as compared to the growth of 7.6 per cent achieved in 2015-16. The growth in agriculture, industry and services is estimated at 4.1 per cent, 5.2 per cent and 8.8 per cent in 2016-17 as opposed to 1.2 per cent, 7.4 per cent and 8.9 per cent respectively in 2015-16. Growth rate of industry sector declined in 2016-17 mainly on account of contraction in mining & quarrying and moderation of growth in manufacturing sector. It was the services sector, led by public administration, defence and other services that resulted in the overall GVA growth rate of 7.0 per cent in 2016-17. From the demand angle, the expansion in government final consumption expenditure has been the major driver of growth. The growth in fixed investment at constant prices declined from 3.9 per cent in 2015-16 to (-) 0.2 per cent in 2016-17. The exports of goods and services are estimated to grow by 2.2 per cent whereas the imports are projected to decline by 3.8 per cent in 2016-17.

### **Industry and Services**

The performance of the industrial sectors based on the Index of Industrial Production (IIP) comprising mining, manufacturing and electricity reveals a modest growth of 0.4 per cent during April-November 2016-17 as compared to 3.8 per cent during the same period of 2015-16. As per the sectoral classification, the production of manufacturing sector declined by 0.3 per cent during April-November 2016-17. The electricity and mining sectors registered growth rates of 5.0 per cent and 0.3 per cent respectively during April-November 2016-17. Among the use-based categories, basic goods, intermediate goods and consumer durable goods have attained positive growth while capital goods and consumer non-durable goods sectors witnessed contraction during April-November 2016-17.

The eight core infrastructure supportive industries, viz. coal, crude oil, natural gas, refinery products, fertilizers, steel, cement and electricity that have a total weight of nearly 38 per cent in the IIP registered a cumulative growth of 4.9 per cent during April-November, 2016-17 as compared to 2.5 per cent during April-November, 2015-16. The production of refinery products, fertilizers, steel, electricity and cement increased substantially, while the production of crude oil, natural gas declined during April-November, 2016-17. Coal production attained lower growth during the same period.

### **Performance of Banking Sector**

The performance of the banking sector, public sector banks (PSBs) in particular, continued to remain subdued in the current financial year. The asset quality of banks deteriorated further. The gross nonperforming assets (GNPA) ratio of scheduled commercial banks (SCBs) increased to 9.1 per cent from 7.8 per cent between March and September 2016. The Tier-I leverage ratio of the SCBs increased marginally between March and September 2016. Profit after tax (PAT) contracted on year-on-year basis in the first half of 2016-17 due to higher growth in risk provisions, loan write-off and decline in net interest income.

Non- food credit (NFC) outstanding grew at sub- 10 per cent for all the months except for September 2016. Credit growth in industrial sector remained persistently below 1 per cent level in all the months during the current fiscal. In fact, credit to industrial sector contracted in the months of August, October and November 2016. However, bank credit lending to agriculture and allied activities and personal loans segments continues to be the major contributor to overall NFC growth.

### **External Sector**

Based on the Balance of Payments (BoP) data available for the first six months of 2016-17, the trade deficit on BoP basis declined to US\$ 49.5 billion in April-September 2016 from US\$ 71.3 billion in April- September 2015. Net invisibles receipts were lower at US\$ 45.7 billion in 2016-17 (April-September) as compared to US\$ 56.7 billion in 2015-16 (April- September) mainly due to relatively higher growth of services import (16 per cent) compared to the services export growth of 4.0 per cent and moderation in net private transfers. During 2016-17 (April-September), net FDI inflows of US\$ 21.3 billion showed an increase of 28.8 per cent over April-September 2015, while net portfolio inflows were positive at US\$ 8.2 billion in 2016- 17 (April-September) as against net outflows of US\$ 3.5 billion in the corresponding period of the previous year. Current account deficit (CAD) was at US\$ 3.7 billion (0.3 per cent of GDP) in April-September 2016 as compared to US\$ 14.7 billion (1.5 per cent of GDP) in April-September 2015. On BoP basis, there was net accretion to India's foreign exchange reserves by US\$ 15.5 billion in 2016-17 (April-September), while it increased by US\$ 11.8 billion including valuation changes. This resulted in increase in the stock of foreign exchange reserves, which stood at US\$ 372.0 billion at end September, 2016. The stock of foreign exchange reserves was US\$ 359.2 billion as on January 6, 2016.

In 2016-17 (April-December), the average monthly exchange rate of rupee (RBI's reference rate) was ₹66.47 per US dollar in April 2016 and ₹67.90 per US dollar in December 2016. On month-on-month basis, the rupee depreciated by 1.3 per cent from ₹67.02 per US dollar in March 2016 to ₹67.90 per US dollar in December 2016.

### **Prospects**

The prospects for Indian economy for the year 2017-18 need to be assessed in the light of emerging global and domestic developments. Indications are that global economic growth is gradually picking up. This augers well for Indian exports which are highly responsive to the dynamics of global economic activity. On the other hand, the increasing global prices of oil and other key commodities may exercise an upward pressure on the value of imports. Uncertainty on account of significant external political developments, global interest rate behaviour and capital flows pose potential downsides. Domestic demand is expected to get a boost from accommodative monetary policy and the unleashing of domestic trade and consumption as the economy gets remonetised to the required levels. On balance, and, in line with the projections for strengthening of India's growth by multi-lateral institutions, the nominal growth of the economy is expected to be 11.75 per cent in the financial year 2017-18.

(Source: Macro-Economic Framework Statement 2016-17  
<http://indiabudget.nic.in/ub2016-17/frbm/frbm1.pdf>)

### **Roadmap & Priorities**

- Agenda for 2017-18 is : “Transform, Energise and Clean India” – TEC India
- TEC India seeks to
  - Transform the quality of governance and quality of life of our people;
  - Energise various sections of society, especially the youth and the vulnerable, and enable them to unleash their true potential; and
  - Clean the country from the evils of corruption, black money and non-transparent political funding.
- Ten distinct themes to foster this broad agenda:
  - **Farmers** : committed to double the income in 5 years;
  - **Rural Population** : providing employment & basic infrastructure;

- **Youth** : energising them through education, skills and jobs;
- **The Poor and the Underprivileged** : strengthening the systems of social security, health care and affordable housing;
- **Infrastructure**: for efficiency, productivity and quality of life;
- **Financial Sector** : growth & stability by stronger institutions;
- **Digital Economy** : for speed, accountability and transparency;
- **Public Service** : effective governance and efficient service delivery through people’s participation;
- **Prudent Fiscal Management**: to ensure optimal deployment of resources and preserve fiscal stability;
- **Tax Administration**: honouring the honest.

(Source: Key Features of Budget 2017-2018\_ <http://indiabudget.nic.in/ub2017-18/bh/bh1.pdf>)

### INDIAN HEALTHCARE SECTOR

Budget Expectations	Budget Announcements	Implications
Increase budget share of healthcare sector	Allocation for Ministry of Health and Family Welfare increased from Rs.39,688 crore in 2016-17 to Rs.48,853 crore in 2017-18	The 23.1% increase in allocation for the health sector will be a major boost for the sector.
	<ul style="list-style-type: none"> <li>▪ The Government has prepared an action plan to eliminate Kala-Azar and Filariasis by 2017, Leprosy by 2018 and Measles by 2020 and Tuberculosis by 2025.</li> <li>▪ Similarly, action plan has been prepared to reduce IMR from 39 in 2014 to 28 by 2019 and MMR from 167 in 2011-13 to 100 by 2018-2020.</li> <li>▪ Mahila Shakti Kendra will be set up at village level with an allocation of Rs.500 crore in 14 lakh ICDS Anganwadi centres. A nationwide scheme for financial assistance to pregnant women has already been announced by Honourable Prime Minister on 31st December, 2016. Under this scheme, Rs.6,000 each will be transferred directly to the bank accounts of pregnant women who undergo institutional delivery and vaccinate their children</li> </ul>	<p><b>This shows that the government is increasing its focus on eradicating diseases under the area of Public Health and is committed to improving the healthcare parameters in the country.</b></p> <p><b>Focus on maternal and child health is an important way forward for achieving the sustainable development goals.</b></p>
	<ul style="list-style-type: none"> <li>▪ 1.5 lakh Health Sub Centres will be transformed into Health and Wellness Centres.</li> </ul>	<b>Focus on wellness will help in the promotion of preventive healthcare. However, this should be done in a PPP mode for better outcomes.</b>
	<ul style="list-style-type: none"> <li>▪ Taxes and duties increased on tobacco and tobacco products including cigarettes, gutka, bidis etc</li> </ul>	<b>This move will help in prevention of respiratory and non-communicable diseases that is a major cause of mortalities in the country</b>
	<ul style="list-style-type: none"> <li>▪ Steps will be taken to create additional 5,000 Post Graduate seats per annum.</li> <li>▪ In addition, steps will be taken to roll out DNB courses in big District Hospitals; strengthen PG teaching in select ESI and Municipal Corporation Hospitals; and</li> </ul>	<b>DNB courses are already being executed by private hospitals. However, increase in PG seats and private sector participation in medical education is a welcome step which will help in bridging the gap for specialist doctors in the country. We also need</b>

	encourage reputed Private Hospitals to start DNB courses.	to take similar steps for nurses, paramedics and allied healthcare workers.
	<ul style="list-style-type: none"> <li>▪ Two new All India Institutes of Medical Sciences (AIIMS) will be set up in the States of Jharkhand and Gujarat</li> </ul>	This is a good step. However, execution is the key and AIIMS that have been established earlier need to be made fully functional. The shortage of human resources in healthcare in the country also needs to be addressed.
	<ul style="list-style-type: none"> <li>▪ For senior citizens, Aadhar Based Smart Cards containing their health details will be introduced. A beginning will be made through a pilot in 15 districts during 2017-18</li> <li>▪ Hospitals to have facilities for digital payments, including BHIM App</li> </ul>	This will not only enable our country to provide more care to the geriatric population but also help in promoting digital health and Electronic Health Record (EHR) in the country. Similar steps need to be taken for the rest of the population in near future. Cashless and digital transactions will bring in more transparency in the system.
	<ul style="list-style-type: none"> <li>▪ Under the BharatNet Project, OFC has been laid in 1,55,000 kms. Allocation for BharatNet Project has been increased to Rs.10,000 crore in 2017-18. By the end of 2017-18, high speed broadband connectivity on optical fibre will be available in more than 1,50,000 gram panchayats, with Wi-Fi hot spots and access to digital services at low tariffs. A DigiGaon initiative will be launched to provide tele-medicine, education and skills through digital technology.</li> </ul>	Initiatives such as promoting telemedicine through Bharat Net – the fibre optic backbone, will ensure that most gram panchayats in the country can have access to quality healthcare through second opinion services.
<b>Unmet Demand</b>		
<p>While the government has focused a lot on public health issues, not much has been done for private sector investment in healthcare including PPP, even though private sector provides nearly 80% of outpatient and 60% of inpatient care in the country. The following measures are necessary for further penetration into tier-II and tier-III cities:</p> <ul style="list-style-type: none"> <li>➤ <b>Raise the Tax exemption on Preventive Health check-up from the current Rs.5,000 per person to a maximum of Rs.20,000 under section 80-D of Income Tax Act 1961.</b> With the huge impact on NCDs (Non-communicable diseases) on the Indian population it is absolutely imperative to increase the focus on prevention and preventive healthcare.</li> <li>➤ <b>Provide Long-term financing:</b> Healthcare was included in the harmonized master list of Infrastructure sub sectors by the RBI in 2012. This includes hospitals, diagnostics and paramedical facilities. Also, IRDA has included healthcare facilities under the social infrastructure in the expanded definition of 'infrastructure facility'. In spite of this, long term financing options are still not available for healthcare providers. This is hampering the expansion of healthcare providers in the country.</li> </ul> <p>There is also a need to lower the rate of interest on loans from the banks.</p> <ul style="list-style-type: none"> <li>➤ <b>Reduction in Input Service Tax:</b> Clinical Establishments are indirectly being subject to levy of service tax for use of various services which in fact increase the cost of treatment of medical services. Scope of healthcare support services should be expanded to include pathological services, dermatology, infrastructure and logistics support, in order to reduce the input tax.</li> </ul>		



➤ **Restoration of Weighted Deduction under Section 35AD:** Currently, a 150% weighted deduction under section 35AD of the Act in respect to the capital expenditure (other than land/ goodwill/ financial instrument) is available to a taxpayer engaged in building and operating a hospital with at least hundred beds which has commenced its operations on or after April 1, 2012. However, with effect from April 1, 2017, deduction under section 35AD of the Act is restricted to 100% of the expenditure only. It is recommended that the weighted deduction available to a taxpayer engaged in building and operating a hospital be restored to help reduce the cost of burden on the patient.

➤ **Tax Incentives**

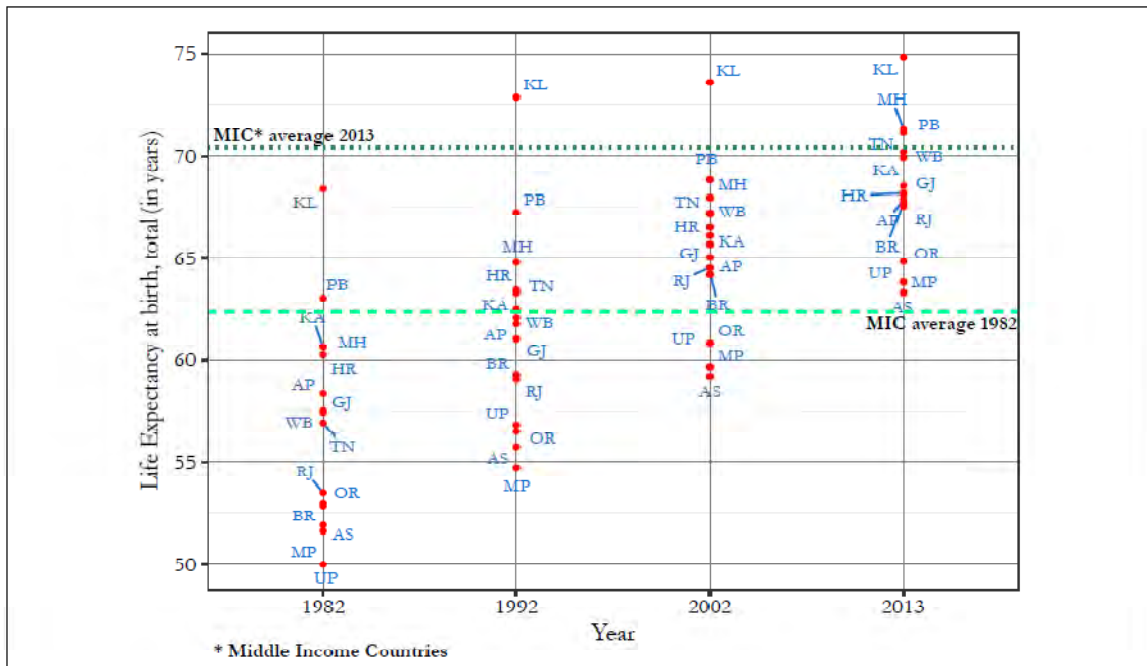
- i. Extend the benefit of deduction under Section 35AD of the Act to a 50 bedded specialty center which is focused on treatment of Non-communicable diseases (NCDs).
- ii. The healthcare business requires making continuous investments to upgrade existing capabilities. It is imperative to provide for a tax incentive in terms of substantial expansion to upgrade existing capabilities in an existing hospital. It is recommended that the deduction under section 35AD of the Act may be extended to provide benefits to hospitals incurring substantial expansion.

➤ **Tax Incentives for Specified Activities**

- i. **Digitization** - To boost the 'Digital India' initiative of the government, financial incentives/grants should be provided to institutions that are willing to move towards maintenance of Electronic Health Records (EHR) and Health IT Systems. 250% deduction on investment made for the implementation of EHR should be extended.
- ii. **Accreditation** - To incentivise hospitals and diagnostic laboratories to undergo accreditation, there should be 100% deduction on approved expenditure incurred for securing accreditation from National Accreditation Board for Hospitals and Healthcare Providers (NABH) and National Accreditation Board for Testing and Calibration of Laboratories (NABL) respectively.
- iii. **Remote care** - 250% deduction for approved expenditure incurred on operating technology enabled healthcare services like telemedicine, remote radiology etc. should be allowed for improving accessibility, affordability & quality healthcare in remote areas.

(Source: Union\_Budget\_Analysis-2017-18\_FICCI\_ [http://ficci.in/SEDocument/20390/Union\\_Budget\\_Analysis-2017-18.pdf](http://ficci.in/SEDocument/20390/Union_Budget_Analysis-2017-18.pdf))

Figure 2A. Life Expectancy Levels Over Time in India



(Source: Economic Survey 2016-17\_ <http://indiabudget.nic.in/es2016-17/echap10.pdf>)

## BUSINESS OVERVIEW

**The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in the Prospectus, including the information contained in the section titled “Risk Factors” on page no. 8 of the Draft Prospectus. In this chapter, unless the context requires otherwise, any reference to the terms “We”, “Us” and “Our” refers to Our Company. Unless stated otherwise, the financial data in this section is as per our financial statements prepared in accordance with Indian Accounting Policies set forth in the Draft Prospectus.**

### Company Background and Overview

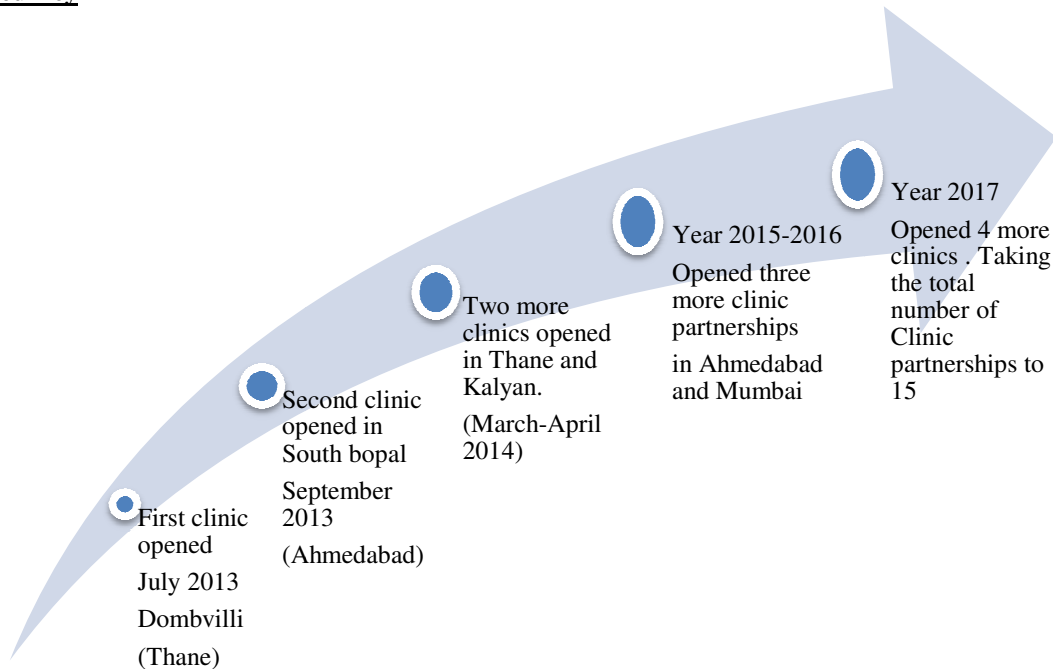
Our Company is engaged in providing solution in healthcare sector as pediatric clinic chain provider. We offer exclusive services which can benefit the child for their healthcare needs. Kids Clinic (TKC) is a venture of "Kids Medical Systems Private Ltd" started in June, 2013 and our company has launched our first “State of the Art” pediatric clinic chain. We partner with doctors at a clinic /premise level. We offer services which can assist and help doctors to manage, educate and develop their clinic, its infrastructure, its people and most importantly also provide guidance in services to parents of the child. Our overall output is purely focused on delivering great health services by using technological platforms to connect the audience with the doctors and vice versa.

We also assist in all services like timely reminders on vaccinations and other services are offered to parents proactively as we understand a proper communication, and better service standards offered at the time of distress where immediate child healthcare services are required. Therefore giving the strong arms to the Doctors in tech-management area which helps them to do their tasks better resulting they can focus on their core competencies of sharing and solving concerns efficiently, while we manage and better the overall 360 degree communication and service platforms for them. We provide the service Management/Light Asset Model which includes the clinic Management Software, clinic reports, Training, recruitment of staff, Online and Offline engagement with customers. In addition we also provide Glow sign Boards, Paraphernalia, Standees and also arrange for co-branding marketing efforts, as and when required in Pre-School, Schools, mailers, SMS, whatsApp or other electronic or through other devices or modes. We are also engaged in providing hospital consultancy to our Doctor Partners.

We started from 1(one) clinic in Dombvilli (Thane District- Maharashtra) and reached to 15 (Fifteen) Hospitals/Doctors with whom we entered into Management Partnership/ Franchisee agreements/Revenue sharing arrangement till date. We believe that our business model has evolved and become significantly stronger with each passing year. We intend to be a part of positive change in the child health care sector and to be a clinic partnership company, offering, managing and serving the Doctors-Pediatric and Patients.

Our company is having one of the clinics in Harinivas at Mumbai, taken on leased basis and being run on owned-revenue sharing model, where we hire the premises on a lease basis generally for a period of 2-3 years. We tie up with Doctors and issue a letter of Intent to Doctors to visit our clinic for 2-4 hours in a day and render their service against which we would be sharing 30% to 50% of Net profit with Doctor partners. In Owned-Revenue sharing Model, we make the investment in fixed assets like (furniture, computer, printer, Air condition, Refrigerator, Glow sign Boards, Paraphernalia, Standees etc) and other expenditure towards restructuring the premises, paints, flooring, POP's (Plaster of paris work) as per our uniform specific design etc. In revenue sharing business model we execute agreement with Doctor Partners to provide the following offerings to the Doctor Partner like Recruitment, training, and monitoring of existing and future staff, Additional Doctors for locums and additional shifts if and when required would be provided, Provide all platform for online Billing and online data management and medical records through our website, Banking including cash management; and business report, Business analytics and reports by our Team etc.

**Our Journey**



**Our verticals/ Offerings/Services**

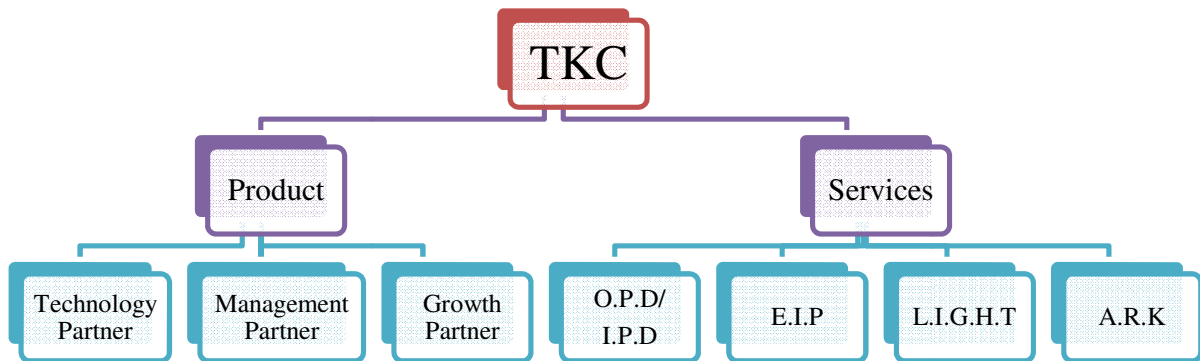
We have two distinctive verticals as stated below:

- Our Product verticals
- Our Service verticals

They work in synergy and offer both short term and long term solutions to the Doctor partners.

**Our Product verticals** are defined as processes which are executed at an internal level of the clinic. Things which can make the operational management of the clinic more efficient.

**Our Service verticals** are defined as offerings, which a doctor, parent can avail which can lead to more satisfaction in terms of revenues, value for money and overall betterment of the society at large.



## Our Product verticals



### ONLINE MEDICAL RECORDS:

Simple and easy to use. It is our first objective completed which helps the Doctors to access the history of the patients easily. To ensuring customer data is captured correctly, we train the receptionist on the same. If we do not have one, we help to recruit, train and monitor. A doctor partner can just capture the diagnosis and not bother about capturing other details which honestly should not be his or her job. We ensure there are no cash leakages, better engagement with customers through reminders and health updates and a mobile application through which Doctor-patient relations can be continued on permanent basis. In addition, we update old data of the patient which helps for building relationship more stronger. There are also a host of unique features which truly makes our technology platform state of the art and the one which can surely be of great assistance to Clinic operations. We assure Doctors that they will have good experience with us and as well as the parents.

### Key features of services

- Online and Offline
- Web and mobile
- Typing, scanning and writing
- Bill sequencing
- Sms based - Auto reminders and updates
- Unique way of capturing kids behavioural concerns, leading to insights



Along with the technology platform which comes with it, being a management partner gives our doctors a supreme advantage. Being ahead with insights which can help Doctor's to allocate their time and energy better in medical profession. So that it will help in retaining existing Patients/Parents or focussing on new Patients/Parents. This platform along with the our team ensures that the doctor get the maximum productivity out of his or her clinics infrastructure. In addition, it will be a great help to Doctor to know how many new parents visits him monthly, or how many parents across varied age categories seek his or her service, or how many parents are concerned with their child's eating, sleeping or even concentration issues etc. There are ten such dynamic reports which is called ten commandments. This solution ensures that the doctor partner is provided with insights never seen before and solutions he can seek to use like never before. We then execute the plan created by and for the doctor concerned.

### Key features

- Technology partner plus
- Recruitment, training and mentoring
- Push sales and event planning
- Business reports pertaining to the clinic
- New parent induction program
- Clinic operational charts: To monitor daily weekly operational activities.
- Insightful reports: New Vs Repeat, age wise, morning Vs evening, top hours, trends etc.



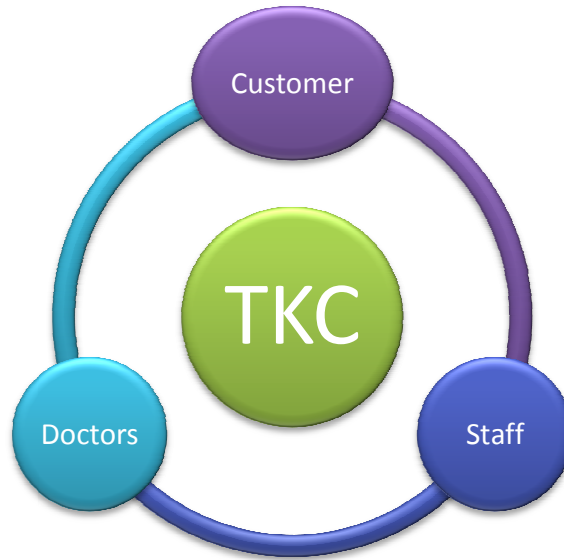
This vertical takes care of market development, or simply management. Online medical records, analytical tools and its insights, recruitment, training and staffing solutions, capacity utilisation, additional correlated services, additional shifts, curtailing operational expenses, bettered ambience, parent talks, health camps all and more comes under its ambit. We work closely to ensure that our doctor partner can focus on parent customers and we as their service partners take care of all the work outside. Focussing on continuity of business even after complete/partial retirement is also one of the most important deliverable we wish to execute if required.

### Key features

- Technology + Management Partner Plus
- Additional services, Nutritionist.
- Additional shifts
- Preschool /school tie-ups for preventive health checks & talks
- L.I.G.H.T (Let's Ignite Good Health Together) a structured school outreach program.
- EIP (special child services) can be done during available/ lean hours for bettered capacity utilisation.
- Designs and architect: From walls, to uniforms. Beautification and presentation.

Overall, these three product verticals are designed to:

1. Increasing the efficiency of the staff and the infrastructure available.
2. Increasing the overall satisfaction level for the end customers , i.e the parents
3. Increasing the overall engagement and thereby create goodwill opportunities for the doctor partner concerned.



## Customer Management

- Through engagement and convenience.

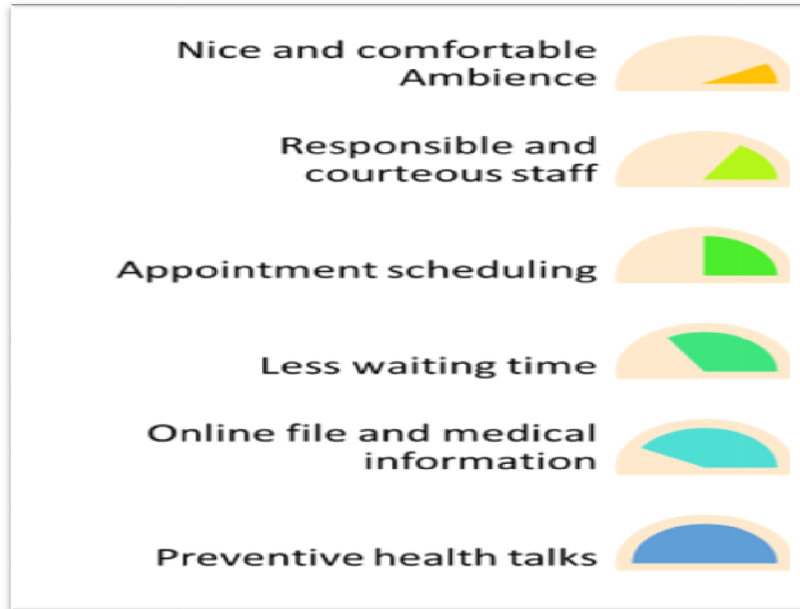
## Staff Management

- Through training and retention.

## Doctor Support

- Through carefully understanding the needs realized and yet to be experienced.

**CUSTOMER MANAGEMENT:** The most important priority is Doctors clinical advice.



### CUSTOMER OFFERINGS

**Tangible Assets which can be added:-**

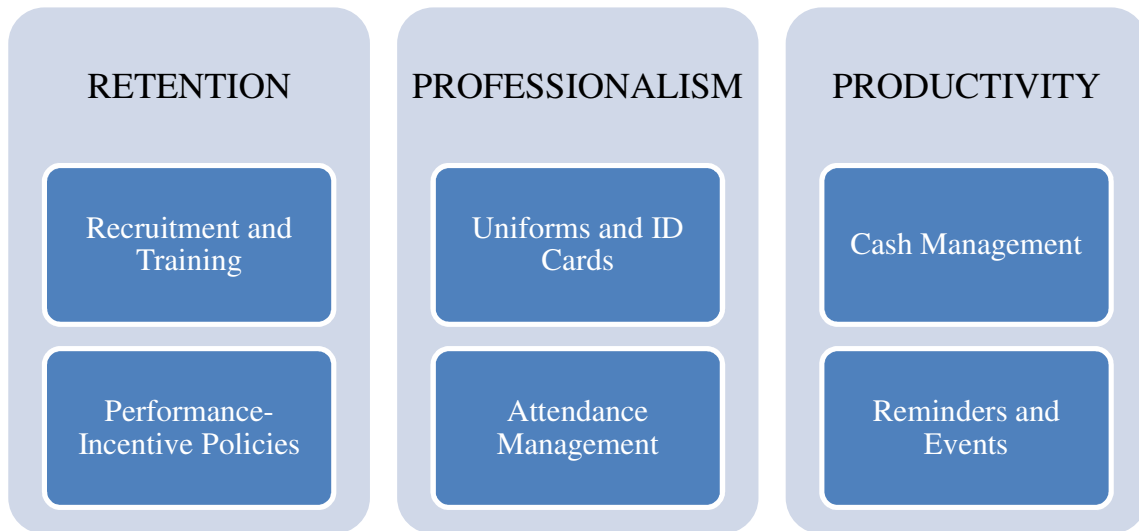




**Non-Tangible Assets which can be Added:**

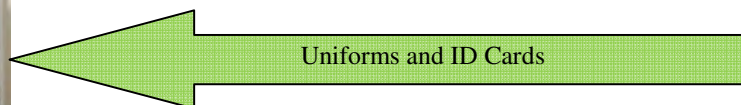
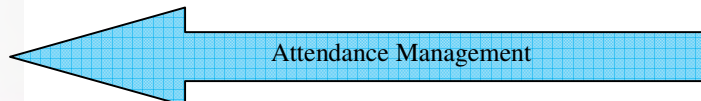
- ✓ Online Medical File
- ✓ Reminders and updates
- ✓ Events (Birthday, New Parents Induction Programme, Preventive Health Talks).

**STAFF MANAGEMENT: THE MOST IMPORTANT PRIORITY IS JOB SATISFACTION AND HUMAN APPROACH OF STAFF WITH PATIENT, FAMILY MEMBERS AND COLLEAGUES.**



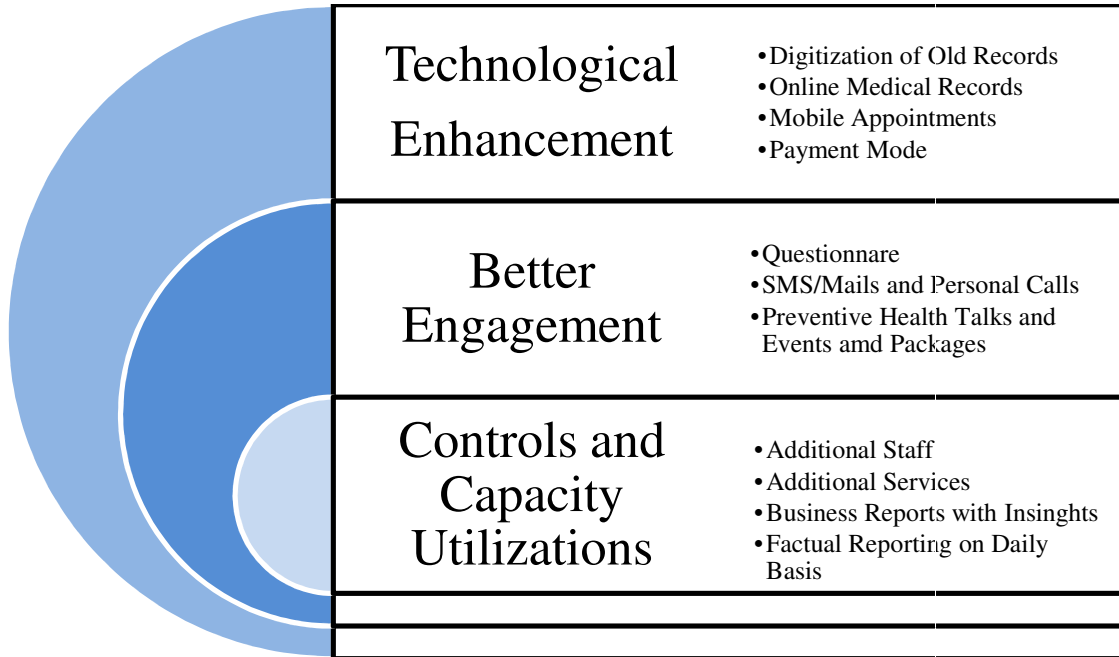
**STAFF OFFERINGS**

**Tangible Assets which can be added:**



**Non-Tangible Assets which can be Added:**

- ✓ Performance based Incentive Programme
- ✓ Employee of the Month
- ✓ Vaccination reminder Calling
- ✓ Preventive Health Talk Arrangements
- ✓ SMS/MIS and Audit Control



**Doctor Offering**

**Tangible Assets**



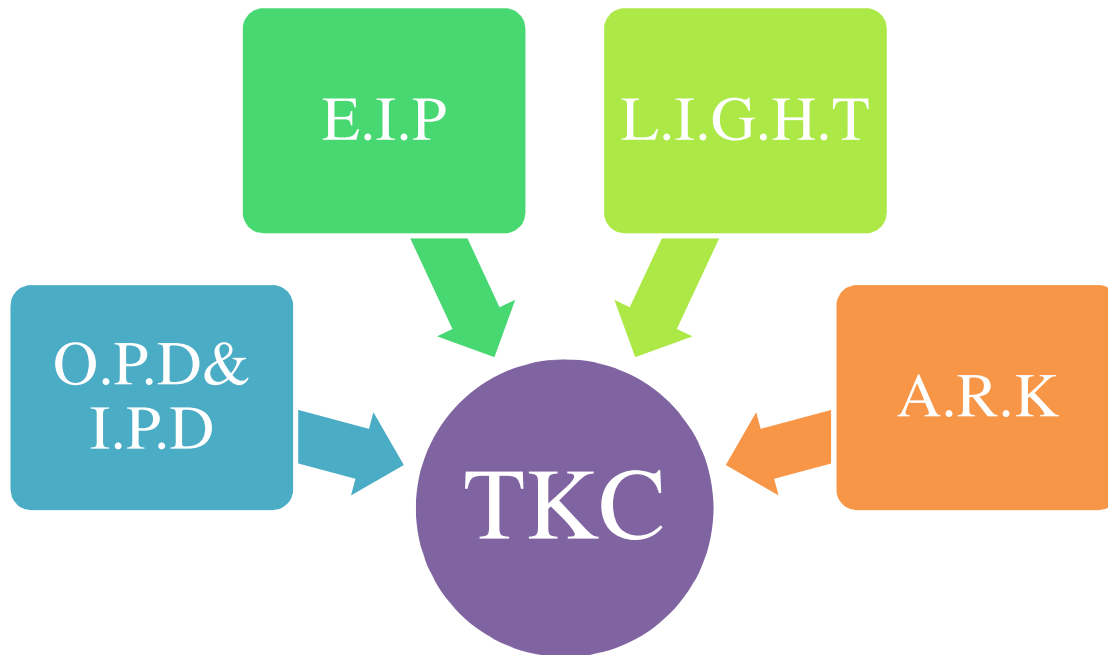


**Non Tangible Assets**

- ✓ Digitization of data (Both Old and New)
- ✓ Audit Platform for control and measures
- ✓ Business Reports: Age Category's, News Repeat, Morning vs. Evening, Quarterly Trends, Average Collections, Patient.
- ✓ Factual Business Reporting based on services provided, monthly, quarterly and annually.
- ✓ Events in preschools, schools through health camps and preventive health talks.

**Our Service Verticals**

Our service Verticals are consisting of 4 (four) distinctive offerings to the Doctor partners:



**O.P.D & I.P.D:**

Our core service vertical consist of managing the outpatient delivery (OPD) clinics and In patient delivery ( IPD) for small hospitals. The doctors who run these services can avail any of the three product verticals as per his or her requirement. Starting from technology partner, one can graduate to management partnership and finally to growth partner. He or she can also directly start with any of the three product verticals directly.

## E.I.P:

Early intervention program. In common terms, special child services. These services include offerings for children who are mentally or physically restricted. These are specialised services and need professionals who are specifically qualified for the same. They are physiotherapist, clinical psychologist, speech therapists and occupational therapists.

A doctor who has additional space in his clinic or can allocate separate time can avail these services from us. It takes care of capacity utilisation of clinic as well as adds income from other sources.

Most importantly, kids and parents can benefit from these services at his clinic, making for convenience and comfort for them. If a particular disability is detected early, the chances of cure, or and containment of the disability is higher. The first visits for a parent is to the paediatricians only, and they are the ones who can identify the symptoms. These symptoms can also be detected by the parents. TKC educates and urges parents who come to the partnered clinics to check on these symptoms. Eventually faster the acceptance and identification would lead to a bettered service from the EIP team.

**MY KID**

- Cannot zip his pants ●●
- Cannot tie his laces ●●
- Does not like being cuddled ●●
- Walks on his toes ●●
- Eats only specific food ●●●
- Does not like getting his hair cut ●●●
- Stammers, occasionally responds ●●●●
- Finds difficulty in concentrating and learning ●●●●●
- Sits with his legs in "W" position ●●
- Sits alone. Does not make friends ●●●●●
- Find difficulty in copying from the board ●●●●

You might need a

- CLINICAL PSYCHOLOGIST ● OCCUPATIONAL THERAPIST
- PHYSIOTHERAPIST ● SPEECH THERAPIST ● SPECIAL EDUCATOR

**WE CAN HELP**

**EIP** | EARLY INTERVENTION PROGRAM

## L.I.G.H.T:

“Let’s Ignite good health together” is the first ever structure preventive health program for young minds and young parents. Subjects like nutritional habits, physical and sexual abuse, early puberty, enuresis, peer pressure, parental expectations are catered to an audience of kids and parents alike based on age category. It includes talks by experts from the relevant field, presentations, short practical games, and tutorial videos. L.I.G.H.T programs have been hugely successful and is need of the hour. Prevention is the only cure, and when we reach out to parents through our clinic partnerships, pre-schools, corporates, the feedback and reactions are sublime.

The L.I.G.H.T Program has been designed based on an extensive research and study to create a holistic bucket of offerings. Its objective is to understand the requirements as well as the tools which can enable effective learning and communication with the young minds and parents across diverse age groups.

The team defined for these programs are a very selected and senior group of professionals. They come with the relevant experience required to solve and resolve the socio-medical challenges faced by the parents and children alike at large. Our team consists of senior doctors from the field of medicine, educationist and clinical psychologists. Together they are well equipped to empower the parents on the social challenges faced.

The choice of subjects has been very carefully drafted. This has been done taking into consultation the doctors empanelled for this program and our existing parent customers. We have categorically defined the age buckets, the

most critical three subjects pertaining to those age buckets. This is to ensure that the parents and children get to address the most pertinent issues faced at that point in time and age and we as team can do complete justice in answering all their queries.

### **Working Methodology:**

**1. Animated Videos:** Kids relate, enjoy and learn. Duration: 5 minutes

**2. Activity/Game based learning:** Participation creates easiness both for kids and parents and duration is 20 minutes

**3. Doctor/Education counselor participation:** Subject presentation. A credible authority on the proposed subject(s). Duration: 45 minutes

**4. Questions please?:** The real answers that parents seek. Duration : 45 minutes

**5. Feedback:** A way to judge our execution of the program at your disposal. Duration 15 minutes

**6. L.I.G.H.T Pledge:** A song which creates a ease of communication and connects the group emotionally. Duration: 5 minutes.

Total duration per session 2 -2.5 hours.

### **Calendar of Events**

- Bad touch / Good touch Balanced diet/limitation/avoidance of junk food, etc.
- Promoting Physical Activities
- Nutrition
- Peer Pressure
- Protection from physical/sexual abuse
- Vaccination
- Parent Skills
- Adolescent Counselling
- Parents Skills
- Being proactive then reactive.

### **Benefits to the children**

1. Make them more aware of their mind and body.
2. Make them more comfortable with their challenges at home and social structure.
3. Make them more attuned to the challenges they can face.

### **Benefits to the parents**

1. Let them know the hard facts.
2. Make them aware about their role which can make them a better parent.
3. Make them aware about the challenges their kids can face.

### **Benefits to the school**

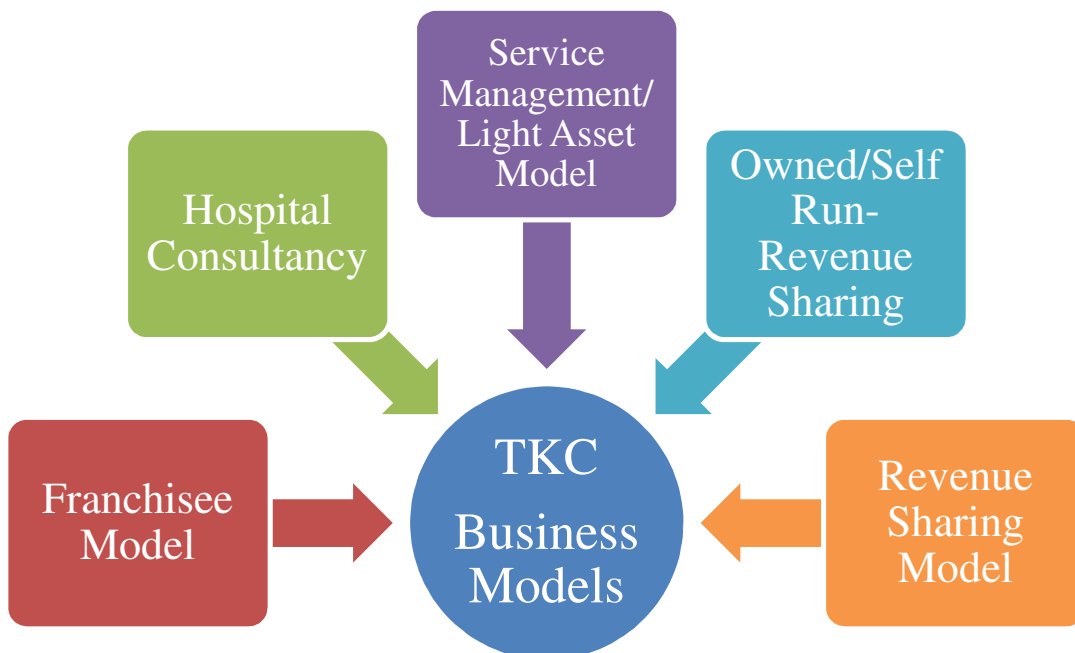
1. Being proactive , rather than reactive.
2. Taking up a leadership position to initiate such programs structurally
3. Getting Medical professionals to do effective orientations

**A.R.K :Act of Random Kindness**



As the term suggests, supporting underprivileged with the health needs with free medicines, vaccinations and consultations from our doctor partners is the biggest service to mankind. Parents also come together once a year to donate clothes, toys which can bring smile into these young hearts. We believe that the intent of offering services in child health should not have any boundaries.

**Our Business Models:**



### Service Management/Light Asset Model

In service Management/Light Asset Model we provide the clinic Management Software, clinic reports, Training, recruitment of staff, Online and Offline engagement with customers. In addition we also provide Glow sign Boards, Paraphernalia, Standees and also arrange for co-branding marketing efforts, as and when required in Pre-School, Schools, mailers, SMS, whatsApp or other electronic or through other devices or modes.

The financial terms generally agreed with doctor partner will pay amount as mutually agreed on such terms and condition as mutually agreed.

### Hospital Consultancy

In Hospital consultancy business model we do the following services offerings to Doctor Partner:

- 1) Recruitment and Training
- 2) Branding Consultancy
- 3) Marketing Services
  - ✓ Brochure and other paraphernalia's
  - ✓ Communication in and through the hospital
  - ✓ Tie-ups with relevant industry colleagues, such as pediatricians, general physicians and gynecologists.
  - ✓ Corporate tie-ups primarily focusing on selling our network of 5 Hospitals, focus being our Hospital in the specific area.

In this model our Company only offer services and management services pertaining to the Hospital and not for its OPD or clinic facilities.

The financial terms generally agreed with Doctors partners in Hospital Consultancy model is Rs. 7500/- fixed per month. After completion of 6 months period of agreement with respective Doctors partners, the financials terms are reviewed.

### Franchisee Model

In Franchisee model the Rights and obligations of our company is as stated below:

- To Appoint suitable designated team members to provide timely advice and guidance to franchisee during the franchisee business setup process;
- To undertake suitable marketing and branding campaign for nurturing and promoting visibility of the Brand;
- To approve infrastructure and space owned/Leased by the Franchisee for the purpose of starting the Franchisee Operations;
- To provide collaterals, process manuals to the Franchisee in sufficient quantity and within minimum lead time;
- To ensure that Franchisee has been provided with documentation containing the Standard Operating Processes;
- To recruit-select staff of the Franchisee as per the terms of agreement and remunerate them according to the Business Plan of the Franchisee;
- To help in Business Planning;

- To create Business Plan Prototypes, appoint Agencies and train marketing personnel of the Franchisee on regular basis etc.
- The financial terms generally agreed with Doctors in Franchisee model is one time non refundable Royalty fees of Rs. 6,00,000 (Six Lakhs) to be paid to our Company. Our company shall be entitled for 20% of net of expenses of the clinic.

### Owned/Self Run-Revenue Sharing

In Owned-Revenue Sharing Model, we hire the premises on a lease basis generally for a period of 2-3 years. We tie up with Doctors and issue a letter of Intent to Doctors to visit our clinic for 2-4 hours in a day and render their service against which we would be sharing 30% to 50% of Net profit with Doctor partners.

### Revenue Sharing Model

In revenue sharing business model we execute agreement with Doctor Partners to provide the following offerings to the Doctor Partner:

- ✓ Recruitment, training, and monitoring of existing and future staff;
- ✓ Additional Doctors for locums and additional shifts if and when required would be provided;
- ✓ Provide all platform for online Billing and online data management and medical records through our website;
- ✓ Banking including cash management; and business report;
- ✓ Business analytics and reports by our Team;
- ✓ Business Development by utilizing existing capacity and by adding additional shifts, services and products;
- ✓ Micro Marketing tie-ups with pre- schools, schools;
- ✓ Macro Marketing of mailers, SMSE's, Email, Kiosks wherever and whenever applicable;
- ✓ Affiliate tie-ups with pathology, chemists offering benefit to the customers

In addition, Online Medical record systems- A simple yet very critical software which is essential in today's modern day world;

ABC Cards which creates stickiness with Parent customers;

Vaccination Reminders which helps to increase the vaccination income;

Monthly performance Management: New Vs repeat footfalls, Child category etc

The Financials terms generally agreed with the Doctor partners in revenue sharing model is 10% of gross receipt for the first year, 12.5% of gross receipts for second year and 15% of gross receipts for the third year. In this model we bear one time Doctors and staff recruitment cost Rs. 50,000 and we also offer technological platform integrating customer data management, services and banking worth of Rs. 50,000 with an additional annual maintenance cost of Rs. 5000/-

### Our competitive strength

#### 1. Unique and exclusive offerings to the Doctors

We provide the unique and exclusive products and services to Doctors:

- Product Offerings
  - ✓ Technology Partner
  - ✓ Management Partner
  - ✓ Growth Partner



- Services Offerings
  - ✓ O.P.D./ I.P.D. (Out Patient Delivery/In Patient Delivery)
  - ✓ EIP (Early Intervention Programme)
  - ✓ L.I.G.H.T(Let's Ignite good health together)
  - ✓ A.R.K. (Act of Random Kindness)

## **2. Well management team**

Professionals from diversified and experienced background have come together. Finally, successful implementation and execution is the key. We believe that we have strong team, which is difficult to procure. The core promoter group consists of professionals from the corporate background and the core team have handled senior responsibilities growing up the corporate ladder. The other side of the team consists of medical professionals of reputed Doctors who have been the part of the pediatric industry for years. Their combined skills and understanding of the business has been instrumental in building a sustainable business model.

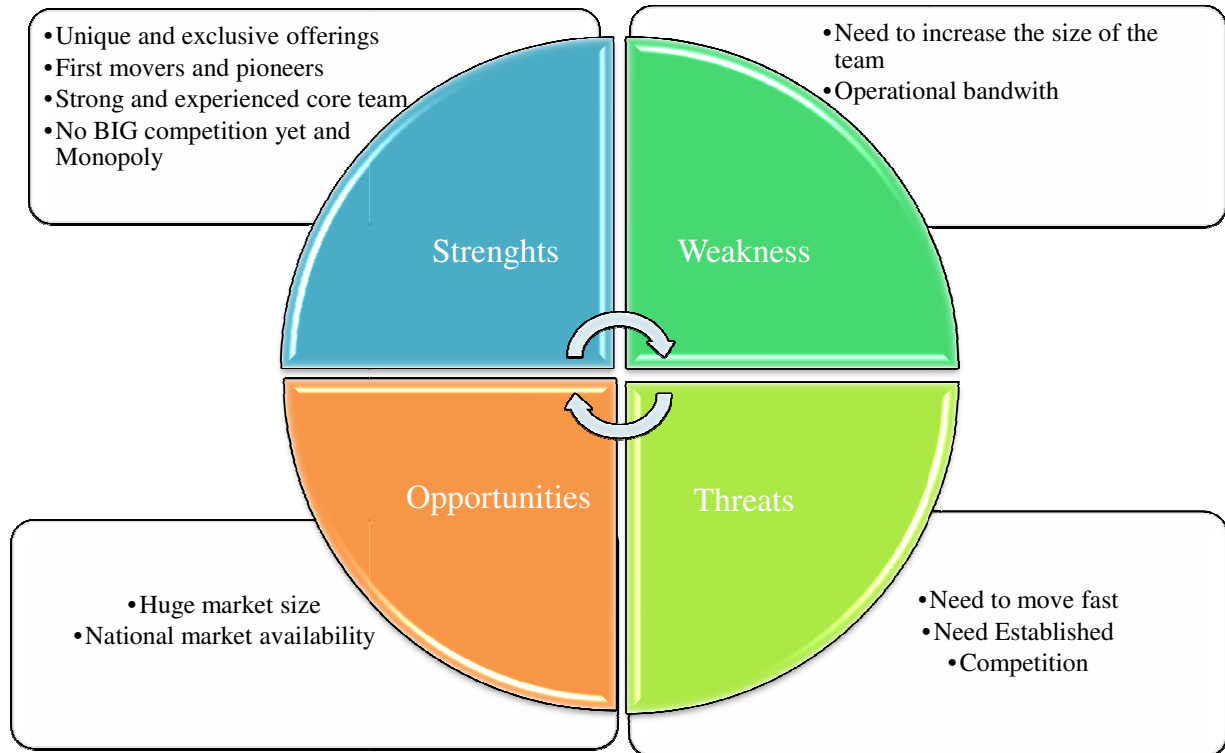
## **3. Geographical presence**

Currently our geographical presence is in the state of India i.e Gujarat and Maharashtra. At present we are having 15 clinic partnerships spread over in Mumbai and Ahmedabad.

## **4. Innovative and easy adaptability of our Products and services**

Our unique and Innovative products and services which helps the Doctors to smoothen their work and enable them to concentrate in their core medical profession.

## S.W.O.T Analysis



## **BUSINESS STRATEGY**

### **1. Unique Approach, strategy and opportunity:**

TKC partners with doctors at a clinic /premise level. Offers services which can assist and help doctors manage, educate and develop their clinic, its infrastructure, its people and most importantly its parent customers better. The overall output is purely focused on delivering great health services.

Though there have been many companies which have come in the market in the recent times , using technological platforms to connect the audience with the doctors and vice versa, not many have tried to get into the ecosystem to create impact at the grass root level. This is where TKC is unique in its approach, strategy and opportunity.

### **2. To be a Strong arms to Doctors- "Parent is the Child"**

Incase of child health, it's the parent, who is more worried incase the child is unwell. Medication offered by the doctors will hopefully resolve the problem everytime and anytime. However a great medical platform is such, where the parent is not only comforted by the immediate treatments offered, but appraised about the preventive health steps they can take. There are timely reminders on vaccinations and other services offered to them proactively. A proper communication, and better service standards are offered at the time of distress. Therefore giving the strong arms to Doctors which required to do their tasks better and as a results Doctors can focus on their core competencies of sharing and solving concerns, while we manage and better the overall 360 degree communication and service platforms for them.

### **3. Expanding our Clientele Network by Geographic expansion**

We believe that our growth in other states in the country can fetch us new business expansion & opportunities. We are currently providing our services in the states of Maharastra and Gujarat out of 29 states in India. Going forward we intend to establish our presence in more locations in the country. Our emphasis is on scaling of our operations in other markets shall provide us with attractive opportunities to grow our business and revenues.

## **Location**

Registered Office

F-806, Titanium City Center, Near Sachin Tower, Anand Nagar Road, Satellite, Ahmedabad- 380015

## **Plant & Machinery, technology, Process etc**

Since we are in service sector and our business model is assets less model, we do not own plant and machinery. However, we are having computer systems, printers scanners, etc covered up under the head of office equipments.

## **Technology**

We are Technology plus partners of Doctors in which we provide the following services:

Online and Offline

- Web and mobile
- Typing, scanning and writing
- Bill sequencing
- Sms based - Auto reminders and updates
- Unique way of capturing kids behavioural concerns, leading to insights.

- Recruitment, training and mentoring
- Push sales and event planning
- Business reports pertaining to the clinic
- New parent induction program
- Clinic operational charts: To monitor daily weekly operational activities.
- Insightful reports: New Vs Repeat, age wise, morning Vs evening, top hours, trends etc.

### **Infrastructure and Utilities like Water, electricity etc.**

#### **Power**

As we are providing services to Doctors at their owned/rented premises we do not require to install our own invertors, sets of generators etc.

#### **Water**

We are tech-management company offering exclusive services at Doctors clinic (premises) where water is required only for drinking and sanitary purpose and adequate water resources are available at the clinic premises where we are providing our products and services.

#### **Quality Measures**

We are tech-management company offering exclusive services and we have not certified our selves under any quality measurement company.

#### **Human Resources**

Human resource is an asset to any industry, sourcing and managing. We believe that our employees are the key to the success of our business. We focus on hiring and retaining employees who have prior experience in the field of pediatric clinic and well conversant with English Gujarati and Hindi Languages for catering the needs of clinic. Our Company constantly endeavors to improve skill up gradation of employees, staff welfare activities etc on regular intervals which results in increase in efficiency of employees. We view this process as a necessary tool to maximize the over all performance of our Company.

We have not experienced any strikes, work stoppages, labour disputes or actions by or with our employees, and we have cordial relationship with our employees.

#### **Collaborations, any Performance guarantee or assistance in marketing by the Collaborators**

Our Company has not entered into collaboration, or given any performance guarantee or assistance in marketing by the Collaborators.

#### **Inventory and End Users**

Our Company being in the service industry we do not hold any Inventory. The end users of our services are our Doctors and child-Parents customer.

#### **Marketing and Distribution Arrangement**

Our success lies in the strength of our relationship with Doctors who have been associated with our Company. We have direct contact with Doctors. Our senior management is actively involved in maintaining client relationships, Service level agreement monitoring, and business development through interaction with different levels in the client organization. We follow both direct and indirect marketing approach towards client acquisition.

## **COMPETITION**



In today's dynamic business environment which is filled with rapid change of technology, government policies, mounting competitive threats and constant new entrants into market, makes it challenging to sustain and handle the intricacies and provide competitive solutions to its clients. We may face competition from domestic players only. Further we believe that our competition also depends on several factors which include changing business framework, medical and Health care policies etc.

### **Capacity and Capacity Utilization**

Our Company being in the service industry installed capacity and capacity utilization is not applicable to us.

### **Intellectual Property Rights**

As on date of the Draft Prospectus our company has registered/applied for the following trademarks:

<b>Sr. No.</b>	<b>Trade Mark Registration No./Application No. and date of Application</b>	<b>Status</b>	<b>Approval for using Trademark as registered Trademark</b>	<b>Class of Trademark</b>	<b>Validity</b>
1.	2779693 July 24, 2014	Registered		Class 44 Medical Services, Veterinary Services, Hygienic and Beauty Care for Human Beings or Animals; Agriculture, Horticulture and Forestry Services.	Registration is valid for 10 years from the date of application i.e. July 24, 2024.
2.	2944572 April 16, 2015	Registered		Class 44 Service Related To Medical Services Such As Nutrition Parental Skills Etc, Hygienic and Beauty Care For Being or Child Sexual Abuse Included	Registration is valid for 10 years from the date of application i.e. April 16, 2025
3.	2779692 July 24, 2014	Objected		Class 36 Financial Affairs Providing Discount Card. Discount Voucher & Discount Coupons	-

### **Indebtedness**

As per our restated financial statements, as on September 05, 2017, we have unsecured loan of ₹ 27.84 lacs from others which are repayable on demand. For further details of these unsecured loans, please refer to Auditors' Report beginning on page 113 of the Draft Prospectus.

### **Details of Immovable Property**

#### **Property taken on Lease Basis**

Particulars	Details
Name of the Lessor	Dr. Ashok Vij
Name of Lessee*	KIDS Medical Systems Private Limited
Description of Property	201, 3rd Floor, Ajit Darshan, 3 Petrol Pump Thane (West)- 400602
Usage	Self RunClinic
Date of Lease agreement	October 13, 2016
Period	36 months from the date of the Agreement
Rent	Advance Rs. 30000/- per month for a period October 13, 2016 to October 13, 2017 Advance Rs. 40000/- per month for a period November 13, 2017 to November 13, 2018
Security Deposit	Rs. 1,20,000/-

Particulars	Details
Name of the Lessor	Kalpana Ajay Mundhra
Name of Lessee	KIDS Medical Systems Private Limited
Description of Property	F-806, Titanium City Center, Near Sachin Tower, Anand Nagar Road, Satellite, Ahmedabad- 380015
Usage	Registered Office, administrative office and other commercial purpose
Date of Lease agreement	September 23, 2017
Period	11 months and 29 days commencing from September 23, 2017
Rent	Rs. 20,000/- per month in advance
Security Deposit	Rs. 40,000/-
Area (Approx)	373 Square Feet (Carpet 230 Sq Ft).

Particulars	Details
Name of the Lessor	Nilamadhab Nanda
Name of Lessee*	KIDS Medical Systems Private Limited
Description of Property	76L Composite Housing Scheme, Karila Prasad Phase - 1, Bhubaneswar
Usage	Branch Office
Date of Lease agreement	July 20, 2017
Period	11 month and 29 days commencing from August 01, 2017
Rent	Rs. 100/- per month
Security Deposit	Rs 50,00,000/-
Area (Approx)	1500 Square Feet

**\*At present the name of the company changed to Kids Medical Systems Limited.**

#### **Insurance**

We are Management/Technology/Growth partners of Doctor's clinic and service provider to the Doctors and parents of the child, basically our company is service provider. At present our company has not taken any insurance policy as on the date of this Draft Prospectus.

#### **Exports & Exports Obligations**

There are no direct export sales made by company and as on date of this Draft Prospectus there is no export obligation on the Company.

## **KEY INDUSTRY REGULATIONS AND POLICIES**

We are subject to a number of Central and State legislations which regulate substantive and procedural aspects of the business. Additionally, the operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye-laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business. The regulations set out below are not exhaustive and are only intended to provide general information to the bidders. The company is engaged in business of operating own clinics to absorb learn and evolve in the processes and practices which can help better the child healthcare space. Set further below are certain general legislations and regulations which govern this industry in India.

We owned and operate medical clinics, diagnostic centers, healthcare centers, surgical homes, dispensaries, maternity homes, critical care unit, polyclinic, pathology laboratories, research centers operation theaters, pediatric clinics, sanatoriums, nursing homes for further details, see "Business Overview" on page no. 65.

### **A. INDUSTRY-SPECIFIC REGULATIONS**

#### **1. 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.

#### **2. 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 labelling and packaging of drugs.

#### **3. 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 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

#### **4. The Drugs (Price Control) Order, 2013 ("DPCO 2013")**

The DPCO was issued by the Central Government under section 3 of the ECA and in supersession of the Drugs (Prices Control) Order, 1995, thereby giving effect to the 2012 Policy. The DPCO 2013, *inter alia*, provides that the Central Government may issue directions to the manufacturers of active pharmaceutical ingredients or bulk drugs and formulations to increase production or sell such active pharmaceutical ingredient or bulk drug to such manufacturer of formulations and direct the formulators to sell the formulations to institutions, hospitals or any agency, procedures for fixing the ceiling price of scheduled formulations of specified strengths or dosages, retail price of new drug for existing manufacturers of scheduled formulations, method of implementation of prices fixed by Government and penalties for contravention of its provisions. The Government has the power under the DPCO 2013 to recover amounts charged in excess of the notified price from the manufacturer, importer or distributor and the said amounts are to be deposited in the Drugs Prices Equalization Account. The DPCO 2013 prescribes certain instances in which case the provision of the DPCO 2013 will not be applicable. These provisions are applicable to all scheduled formulations irrespective of whether they are imported or patented, unless they are exempted. However, the prices of other drugs can be regulated, if warranted in public interest.

#### **5. Clinical Establishments (Registration and Regulation) Act, 2010 ("CERR Act")**

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

#### **6. 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.

#### **7. 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 following are the rules and regulations which are applicable to the Company:

- ✓ Pharmacy Practice Regulations, 2015



✓ Maharashtra State Pharmacy Rules, 1969

#### **8. 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.

#### **9. The Poisons Act, 1919**

The Poisons Act, 1919 restricts the use of poisons and these include aconite, arsenic, morphine, heroin, essential oils of almonds, oxalic acid, poppies, chloroform, zinc chloride etc. The Poisons Act, 1919 empowers the Central Government to prohibit the importation into India across any customs frontier defined by the Central Government of any specified poison and regulate the grant of licenses.

### **B. ENVIRONMENTAL LAWS**

#### **10. Environment (Protection) Act, 1986 ("EP Act")**

The EP Act was enacted as a general legislation to safeguard the environment from all sources of pollution by enabling coordination of the activities of the various regulatory agencies concerned, to enable creation of an authority with powers for environmental protection, regulation of discharge of environmental pollutants etc. The purpose of the EP Act is to act as an "umbrella" legislation designed to provide a frame work for Central government coordination of the activities of various central and state authorities established under previous laws, such as Water Act and Air Act. It includes water, air and land and the interrelationships which exist among water, air and land, and human beings and other living creatures, plants, micro-organisms and property. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

#### **11. Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")**

The Air Act has been enacted to provide for the prevention, control and abatement of air pollution. With a view to curb air pollution, the Air Act has declared several areas as air pollution control area and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Air Act, if a person intends to commence an industrial plant in a pollution control area. It lays down the limits with regard to emissions and pollutants that are a direct result of any operation or activity. Periodic checks on the factories are mandated in the form of yearly approvals and consents from the corresponding pollution control boards in the state. Consent to Operate and Consent to Establish has to be obtained by the company to whom the act is applicable.

#### **12. Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")**

The Water Act was enacted in 1974 in order to provide for the prevention and control of water pollution by factories and manufacturing industries and for maintaining or restoring the wholesomeness of water. The Water Act prohibits the discharge of toxic and poisonous matter in the river and streams without treating the pollutants as per the standard laid down by the Pollution control boards constituted under the Water

Act. A person intending to commence any new industry, operation or process likely to discharge pollutants must obtain prior consent of the board constituted under the Water Act. Consent to Operate and Consent to Establish has to be obtained by the company to whom the act is applicable.

### **13. The Bio Medical Waste (Management and Handling) Rules, 2016("BMW Rules")**

Under the new regime, the coverage has increased and also provides for pre-treatment of lab waste, blood samples, etc. It mandates bar code system for proper control. It has simplified categorisation and authorisation. The ambit of the rules has been expanded to include vaccination camps, blood donation camps, surgical camps or any other healthcare activity. The BMW Rules apply to all persons who generate, transport, treat, dispose or handle biomedical waste in any form. The BMW Rules mandate every occupier of an institution generating bio-medical waste to take steps to ensure that such waste is handled without any adverse effect to human health and environment and to set up biomedical waste treatment facilities as prescribed under the BMW Rules. The BMW Rules further require such persons to apply to the prescribed authority for grant of authorization and submit an annual report to the prescribed authority and also to maintain records related to the generation, collection, storage, transportation, treatment, disposal, and/ or any form of handling of bio-medical waste in accordance with the BMW Rules and the guidelines issued there under.

## **C. STATUTORY LEGISLATIONS**

### **14. The Companies Act, 1956**

The Act deals with laws relating to companies and certain other associations. It was enacted by the parliament in 1956. The Companies Act, 1956 primarily regulates the formation, financing, functioning and winding up of companies. The Act prescribes regulatory mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constitutes the main focus of the Act. 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 plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

### **15. 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 has vide its notification dated September 12, 2013 and March 26, 2013 notified a total of 283 Sections of the Companies Act, 2013, which have become effective as on the date of this Draft Prospectus. The Ministry of Corporate Affairs, 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.

## **D. BUSINESS/TRADE RELATED LAWS/REGULATIONS**

### **16. Information Technology Act, 2000**

The Information Technology Act, 2000 ("the IT Act") and amendment thereof and rules made there under was enacted with the purpose of providing legal recognition to electronic transactions and facilitating electronic filing of documents. The IT Act further provides for civil and criminal liability including fines and imprisonment for various cyber crimes, including unauthorized access to computer systems, unauthorized modification to the contents of computer systems, damaging computer systems, the unauthorized disclosure of confidential information and computer fraud. The IT Act regulates Information Technology i.e. it governs information storage, processing and communication. The Act provides legal recognition of electronic records and electronic signatures, their use, retention, attribution and security. Penalties are provided for cyber crimes which include tampering with computer source document and electronic publishing of obscene information, in addition to provision of compensation in certain cases.

## **17. Shops and Establishments legislations in various States**

Our Company is governed by the various Shops and Establishments legislations, as applicable, in the states where it has its branch offices. These legislations 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.

## **18. Indian Patents Act, 1970**

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

## **19. The Copyright Act, 1957**

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

## **20. Trade Marks Act, 1999**

In light of the changes in trade and commercial practices, globalisation of trade, the need for simplification and harmonisation of trademark registration systems etc., the Indian Parliament undertook a comprehensive review of the Trade and Merchandise Marks Act, 1958 and replaced the same with the a new legislation viz. the Trade Marks Act, 1999. This Act makes trademarks law compatible with TRIPs and also harmonises it with international systems and practices. The Trade Marks Act, 1999 (the Trade Marks Act) provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The Trade Marks Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

## **E. TAX RELATED LEGISLATIONS**

### **21. Income Tax Act, 1961**

Income Tax Act, 1961 is applicable to every Domestic/Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its Residential Status and Type of Income involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 30th September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Fringe Benefit Tax, Advance Tax, and Minimum Alternative Tax and like are also required to be complied by every Company.

### **22. The Goods and Services Tax Act, 2017**

The GST Act levies tax on supply of goods and services throughout India to replace multiple taxes levied by the Central and State Governments on production, supply and sale of goods and providing of services in India. The GST Act is applicable from July 1, 2017 and bound together the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. Under GST, goods and services are taxed under five different categories that are 0%, 5%, 12%, 18%, 28%. GST is levied on all transactions such as supply, transfer, purchase, barter, lease, or import of goods and/or services. Transactions made within a single state are levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For interstate transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption based tax, therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced. Goods and Services Tax (GST) is considered to be the

biggest tax reform in India since independence. It will help realise the goal of “One Nation-One Tax-One Market.” GST is expected to benefit all the stakeholders – industry, government and consumer.

## **F. EMPLOYMENT AND LABOUR LAWS**

### **23. Industrial (Development and Regulation) Act, 1951**

The Industrial (Development and Regulation) Act, 1951 has been liberalized under the New Industrial Policy dated July 24, 1991, and all industrial undertakings are exempt from licensing except for certain industries such as distillation and brewing of alcoholic drinks, cigars and cigarettes of tobacco and manufactured tobacco substitutes, all types of electronic aerospace and defense equipment, industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches and hazardous chemicals and those reserved for the small scale sector. An industrial undertaking, which is exempt from licensing, is required to file an Industrial Entrepreneurs Memorandum ("IEM") with the Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and no further approvals are required.

### **24. The Minimum Wages Act, 1948**

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to this Act, in respect of which minimum rates of wages have been fixed or revised under the Act.

### **25. The Payment of Gratuity Act, 1972**

The Payment of Gratuity Act, 1972 (Act) was enacted with the objective to regulate the payment of gratuity, to an employee who has rendered for his long and meritorious service, at the time of termination of his services. A terminal Lump sum benefit paid to a worker when he or she leaves employment after having worked for the employer for a prescribed minimum number of years is referred to as “gratuity” The provisions of the Act are applicable to all the factories. The Act provides that within 30 days of opening of the establishment, it has to notify the controlling authority in Form A and thereafter whenever there is any change in the name, address or change in the nature of the business of the establishment a notice in Form B has to be filed with the authority. The Employer is also required to display an abstract of the Act and the rules made there-under in Form U to be affixed at the or near the main entrance. Further, every employer has to obtain insurance for his Liability towards gratuity payment to be made under Payment of Gratuity Act 1972, with Life Insurance Corporation or any other approved insurance fund.

### **26. Payment Of Bonus Act, 1965**

The Payment of Bonus Act, 1965 is applicable to every establishment employing 20 or more employees. The said Act provides for payment of the minimum bonus to the employees specified under the Act. It further requires the maintenance of certain books and registers such as the register showing computation of the allocable surplus; the register showing the set on & set off of the allocable surplus and register showing the details of the amount of Bonus due to the employees. Further it also require for the submission of Annual Return in the prescribed form (FORM D) to be submitted by the employer within 30 days of payment of the bonus to the Inspector appointed under the Act.

### **27. Employees“ Provident Funds and Miscellaneous Provisions Act, 1952 (“the EPF Act”)**

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

## **28. The Employees Pension Scheme, 1995**

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

## **29. Employees' State Insurance Act, 1948 (the "ESI Act")**

It is an act to provide for certain benefits to employees in case of sickness, maternity and employment injury and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government other than seasonal factories). Provided that nothing contained in this sub-section shall apply to a factory or establishment belonging to or under the control of the Government whose employees are otherwise in receipt of benefits substantially similar or superior to the benefits provided under this Act. This Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

## **G. OTHER APPLICABLE LAWS**

### **30. The Indian Stamp Act, 1899**

Under the Indian Stamp Act, 1899, stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. 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 and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

### **31. The Indian Contract Act, 1872**

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as void or voidable. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

### **32. The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013**

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an Internal Complaints Committee and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organizing awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

In additions to the above, many other Acts are applicable to us, such as

- Consumer Protection Act 1986

- Specific Relief Act 1963
- Product Patent act 2005
- Foreign Exchange Management Act, 2000
- DOT (Department of Telecommunication) Regulations
- The Arbitration and Conciliation Act, 1996
- The Code of Civil Procedure, 1908
- The Information Technology Rules
- Many Foreign Laws of the Client Company.

## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as "Kids Medical Systems Private Limited" at Ahmedabad under the provision of the Companies Act, 1956 vide certificate of incorporation dated May 22, 2013 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Consequent upon the conversion of our Company to public limited company, the name of our Company was changed to "Kids Medical Systems Limited " and fresh certificate of incorporation dated September 7, 2017 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U85110GJ2013PLC075191.

The Kids Clinic (TKC) is a venture of "Kids Medical Systems Private Ltd" Started in June, 2013. Our company has launched its first " State of the art" Pediatric clinic chain in the country. Since then the company has grown both in width and depth. From one clinic in Dombvilli (Thane District- Maharashtra) to 15 (Fifteen) Hospitals/Doctors with whom we entered into Management Partnership/ Franchisee agreements/Revenue sharing arrangement till date. The business model has evolved and become significantly stronger with each passing year.

We are tech-management company offering exclusive services which can benefit and better the child healthcare sector. "TKC" partners with doctors at a clinic /premise level. We Offers services which can assist and help doctors to manage, educate and develop their clinic, its infrastructure, its people and most importantly also provide guidance in services to parents of the child. The overall output is purely focused on delivering great health services by using technological platforms to connect the audience with the doctors and vice versa.

TKC also assists in all the services like timely reminders on vaccinations and other services are offered to parents proactively as we understand a proper communication, and better service standards offered at the time of distress where immediate child healthcare services are required. Therefore giving the strong arms to the Doctors in tech-management area which helps them to do their tasks better resulting they can focus on their core competencies of sharing and solving concerns efficiently, while we manage and better the overall 360 degree communication and service platforms for them

### Registered Office

Registered Office of the Company is situated at F-806 Titanium City Center, Nr. Sachin Towers, 100 Feet Ring Road, Anand Nagar Road, Satellite, Ahmedabad - 380015, Gujarat.

### Changes in Registered Office

At present, the registered office of the company is situated at F-806 Titanium City Center, Nr. Sachin Towers, 100 Feet Ring Road, Anand Nagar Road, Satellite, Ahmedabad - 380015.

Changes in registered office since its incorporation to till date are set forth as under:

Sr. No.	Registered Office Shifted From	Shifted To	With Effect From
1.	C-101, Signor Residency, B/H Sanjay Tower, Shyamal Char Rasta, Satellite, Ahmedabad - 380015	F-806 Titanium City Center, Nr. Sachin Towers, 100 Feet Ring Road, Anand Nagar Road, Satellite, Ahmedabad - 380015	September 23, 2017

### Amendments to the Memorandum of Association

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

Sr. No	Date of Passing of Resolution	Particulars
1.	August 01, 2014	The authorized shares capital of ₹ 1,00,000 divided into 10,000 equity shares of ₹ 10 each was increased to ₹ 2,00,000 divided into 20,000 equity shares of ₹ 10 each.
2.	May 24, 2017	The authorized shares capital of ₹ 2,00,000 divided into 20,000 equity shares of ₹ 10

		each was increased to ₹ 6,80,00,000 divided into 68,00,000 equity shares of ₹ 10 each.
3.	August 17, 2017	The authorized shares capital of ₹ 6,80,00,000 divided into 68,00,000 equity shares of ₹ 10 each was increased to ₹7,10,00,000 divided into 71,00,000 equity shares of ₹ 10 each.
4.	May 24, 2017	Adoption of New set of Article of Association of Association as per Companies Act, 2013.
5.	September 07, 2017	Converted Company from Private Limited to Public Limited.

### MAJOR EVENTS / MILESTONES / KEY EVENTS

The major events of the company since its incorporation in the particular financial year are as under:

Financial Year	Events
May - 2013	Our company was incorporated and commenced the business
July - 2013	Got an opportunity to launched our first clinic in Dombvilli, Thane
October - 2013	We launched our second Clinic in Ahmedabad
February - 2014	Online medical records launched
March - 2014	2 more clinics started in thane
May - 2014	Launch of Early Intervention program
November - 2014	Act of Random Kindness celebrated
December - 2014	Launch of L.I.G.H.T program
February - 2015	New clinic operations in Thane
January - 2016	Awarded the" Best pediatric clinic chain "
August - 2016	9th clinic in growth partnership in Andheri
October -2016	Launch of three product verticals

### Subsidiaries/Holdings of the company

Our Company does not have any subsidiary company and company is not having any holding company as on the date of filing of the draft prospectus.

### Injunction and restraining order

Our company is not under any injunction or restraining order, as on date of filing of the Draft Prospectus.

### Managerial Competence

For managerial Competence please refer to the section "Our Management" on Page no. 97 of the Draft prospectus.

### Acquisitions / Amalgamations / Mergers/ Revaluation of assets

No acquisitions / amalgamations / mergers or revaluation of assets have been done by the company.

### Total number of Shareholders of Our Company

As on the date of filing of this Draft Prospectus, the total numbers of equity share holders are 19. For more details on the shareholding of the members, please see the section titled "Capital Structure" at page no. 34 of the Draft Prospectus.

### Main Objects as set out in the Memorandum of Association of the Company

The object clauses of the Memorandum of Association of our Company enable us to undertake the activities for which the funds are being raised in the present Issue. Furthermore, the activities of our Company which we have



been carrying out until now are in accordance with the objects of the Memorandum. The objects for which our Company is established are:

To establish, run, maintain, manage, administer, medical clinic, health care centre, hospitals, diagnoses centres, surgical homes, dispensaries, maternity homes, intensive/critical care units, polyclinic, pathology laboratories, research centres, Operation theatres, paediatrics clinics, sanatoriums, nursing homes and rehabilitation center for healthy life or medical reliefs.

### **Share Subscription and Shareholders' Agreements**

Our Company has entered into Agreement on September 6, 2016 with M/s. Three D Enterprises Private Limited (herein after referred as (Three D). Accordingly,

- Three D will invest Rs.1,80,00,000/- ( it is termed as " Facility Amount") (Rupees One Crore Eighty Lakhs only) in a single or multiple tranches.
- TKC will issue Secured Optionally Cumulative Convertible Redeemable Debentures Carrying 7% p.a. coupon rate against all present & future assets of TKC with the existing lenders/borrowers and investors, if any.
- The purpose of this borrowing is acquisition of targets, General Corporate purposes and setting up of new health care clinics and meeting overheads as per pre approved business plans from Investor(s).
- The Facility amount shall be paid as under:
  - (a) Rs.15 Lac at the time of signing of Term Sheet
  - (b) Rs.15 Lac at the time of completion of satisfactory Due Diligence and signing of Definitive Agreements.
  - (c) Rs.50 Lac on or before a period of 2 months from signing of the Definitive Agreements and achievement of milestone as per Definitive Agreements and achievement of business plan as pre-approved by investor.
  - (d) Rs.100 Lac on or before a period of 18 months from signing of the Definitive Agreements and achievement of milestone as per Definitive Agreements and achievement of business plan as pre-approved by investor.
- The Facility Amount shall carry an interest rate of 7% p.a. payable on annualized payment basis starting from beginning of 37<sup>th</sup> month with a moratorium period of 3 years or as may be mutually agreed in writing.
- With regard to Repayment/Conversion of Facility amount, the investor at its sole discretion of the amount as Cumulative Convertible Debenture (CCD) and issue voting equity shares equal to 30% (thirty percent) on enhanced equity after conversion for the total amount subscribed of Rs.180 lacs or if partly converted then pro-rata thereof in the same proportion.
- Three D Enterprises Private Limited had paid Rs.40.00 lacs as Loan with reference to the above agreement.
- Accordingly, the Three D Enterprises Private Limited has vide their letter dated August 19, 2017 informed us that they have accepted our proposal to convert their current loan of Rs.40.00 lac in to 12,121 equity shares.
- As referred in above referred Letter dated August 19, 2017, In case, the company does not succeed to raise the funds through listing, Three D Enterprises Pvt. Limited shall have the right to subscribe at the option for remaining debentures by giving the remaining amount subject to the terms mentioned and agreed in original term sheet.

**Other Agreements**

As on the date of this Draft Prospectus our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered into more than two years before the date of this Draft Prospectus.

**Strategic Partners**

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

**Financial Partners**

Our Company has not entered into any financial partnerships with any entity as on the date of filing of this Draft Prospectus.

## OUR MANAGEMENT

Under our Articles of Association, our Company is required to have not less than three (3) directors and not more than fifteen (15) directors. Our Company currently has 6 directors on Board of which 3 (three) are Non Executive and Independent directors and 3 (three) are Executive and Non Independent Directors, they are:

1. Mr. Anirvan Amitava Dam - Managing Director
2. Mrs. Pallavi Anirvan Dam - Non Executive and Non Independent Director
3. Dr. Nihar Pankaj Parekh - Independent and Non Executive Director
4. Dr. Nishchal Bhatt - Independent and Non Executive Director

The Following table sets forth details regarding the Board of Directors as of the date of this Draft Prospectus:-

Name, Father's Name, Address, Age, Designation, Status, DIN , Occupation and Nationality	Qualification & No. of Years of Experience	Date of Appointment and Term	Other Directorships
<b>Name:</b> Mr. Anirvan Amitava Dam <b>Father's Name:</b> Mr. Amitav Dam <b>Address:</b> C-101, Signor Residency, B/H Sanjay Tower, Shyamal Char Rasta, Satellite, Ahmedabad 380015 <b>Age:</b> 40 Years <b>Designation:</b> Managing Director <b>Status:</b> Executive - Non Independent <b>DIN:</b> 03031807 <b>Occupation:</b> Business <b>Nationality:</b> Indian	B.A., PGDM  Experience- More than 15 years of work experience in Corporate and business	May 22, 2013  <b>Term :</b> Appointed as Managing Director w.e.f. May 13, 2017 for a period of 5 years. i.e. May 12, 2022	NA
<b>Name:</b> Mrs. Pallavi Anirvan Dam <b>Husband Name:</b> Mr. Anirvan Dam <b>Address:</b> C-101, Signor Residency, B/H Sanjay Tower, Shyamal Char Rasta, Satellite, Ahmedabad - 380015 <b>Age:</b> 37 Years <b>Designation:</b> Non-Executive & CFO <b>Status:</b> Non-Executive - Non Independent <b>DIN:</b> 03514501 <b>Occupation:</b> Business <b>Nationality:</b> Indian	B.Com, M.B.A  Experience- More than 14years of work experience in professional field	May 22, 2013  <b>Terms:</b> Director	NA
<b>Name:</b> Dr. Nishchal Vinaykant Bhatt <b>Father's Name:</b> Mr. Vinaykant Bhatt <b>Address:</b> B-2-3 Shailly Tower, Ambawadi Ahmedabad - 380015 <b>Age:</b> 37 Years <b>Designation:</b> Director <b>Status:</b> Non-Executive & Independent <b>DIN:</b> 07867979 <b>Occupation:</b> Service <b>Nationality:</b> Indian	M.B.B.S, M.D Paediatrics  Experience- 18 years of comprehensive experience in the field of child health and adolescent counselling	July 10, 2017  <b>Terms:</b> Additional Director	NA
<b>Name:</b> Dr. Nihar Pankaj Parekh <b>Father's Name:</b> Mr. Pankaj Parekh <b>Address:</b> A1 Apts, 4 <sup>th</sup> Floor, Flat No. 45, 270, Walkeshwar Road	MBBS, DCH, MD (USAIM)  Experience-	July 10, 2017  <b>Terms:</b> Additional Director	<b>Director</b>  1. Jupin health care private limited

<b>Age:</b>	Mumbai - 400006 38 Years	10 years of comprehensive experience in the practising paediatrics and field of child healthcare		2. Jck healthcare private limited 3. Pans child health services private limited
<b>Designation:</b>	Director			
<b>Status:</b>	Non Executive & Independent			
<b>DIN:</b>	01818931			
<b>Occupation:</b>	Service			
<b>Nationality:</b>	Indian			

As on the date of the Draft Prospectus:

- A. None of the above mentioned Directors are on the RBI List of willful defaulters.
- B. None of the Promoters, persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
- C. None of the Promoters, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- D. None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) up to the date of filling of this Draft Prospectus.
- E. None of our Directors are/were directors of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.

#### **Relationship between the Directors**

Mr. Anirvan Amitava Dam is husband of Mrs. Pallavi Anirvan Dam, except this None of the Directors of our company are relatives of each other, in terms of the Companies Act, 2013.

#### **Arrangement and understanding with major shareholders, customers, suppliers and others**

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above mentioned Directors were selected as director or member of senior management.

#### **Service Contracts**

None of our directors have entered into any service contracts with our company and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company.

Except statutory benefits upon termination of their employment in our Company or retirement, No officer of our Company, including the directors and key Managerial personnel are entitled to any benefits upon termination of employment.

#### **Borrowing Powers of the Board of Directors**

Our Articles, subject to the provisions of Section 180(1) (c) of the Companies Act, 2013 authorizes our Board, to raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company. The shareholders of the Company, through by passing a resolution at extra ordinary general meeting of members held on May 24, 2017 authorized our Board to borrow monies together with monies already borrowed by us, in excess of the aggregate of the paid up capital of the Company and its free reserves, not exceeding Rs. 20 crores at any time.

As on today our company has not borrowed any money or avail any loan from any Bank or Financial Institutions.

### **Brief Profiles of Our Directors**

1. Mr. Anirvan Amitava Dam
2. Mrs. Pallavi Anirvan Dam
3. Dr. Nihar Pankaj Parekh
4. Dr. Nishchal Bhatt

#### **Mr. Anirvan Amitava Dam**

Mr. Anirvan Amitava Dam, aged 40 years, is one of the Promoter as well as Managing Director of our Company. He is a graduate in economics and has done his PGDBM from LalBahadur Shastri Institute of Management, New Delhi. He started his career in 2003 and got exposure to various sides of the business in varied geographies and consequently worked with other companies of repute across varied levels. He quit his job in 2009, as a regional head of Aviva, handling the state of Gujarat for their life insurance vertical. He was always been a trailblazer performer and a best rated throughout his career in his professional stint. We started our first venture HIJACKK, a double decker moving bus restaurant. Got into the LIMCA book of records and amongst the top 5 (Five) entertainment ideas in the country. Joognu.com a memory portal for parents was awarded the best startup idea in Tie smashup in Ahmedabad and consequently in Mumbai. Covered extensively across various media platforms."My startup Story" a worldwide contest by LinkedIn was also won in the coming months <http://blog.slideshare.net/2013/10/08/and-the-winner-of-mystartupstory-is/>. Kids Clinic is a forefront venture and Anurans' contribution is to get a strong team together and build a brand of trust and quality. Comes with innovative and strong ideas that can help to create a strong company, with strong processes and strategic alliances. His key area of focus is aligned to take TKC to a national level, with 500 plus clinics which redefines the child health care segment.

#### **Mrs. Pallavi Anirvan Dam**

Mrs. Pallavi Anirvan Dam, aged 37 years is one of the Promoters as well as Non-Executive & Non-Independent Director of our Company. She has been a multi-tasker since she took her first entrepreneurial steps in 2009. she has used her educational and professional experience to the optimum. An MBA finance graduate from Gujarat University, has worked with reputed companies in various financial and sales roles before she took up her first venture. THE KIDS CLINIC is an idea which germinated from her first hand experience when her second child was born.

#### **Dr. Nihar Pankaj Parekh**

Dr. Nihar Pankaj Parekh, aged 38 years, is a Non Executive - Independent Director of our Company. He has completed his MBBS in October, 2000 and Diploma in Child healthcare in October, 2011. He has been practicing pediatric in Mumbai since last 10 years. As the irector of CHEERS CHILD CARE, he has spearheaded into preventive pediatric with his main focus on the concept of WELL-CHILD, preventing screening and school health programs. He believes in standardizing pediatrics, promoting the well-child idea, screening programs and wants to make good child-care affordable to the masses of Mumbai.

#### **Dr. Nishchal Bhatt**

Dr. Nishchal Bhatt, aged 46 years, is a Non Executive - Independent Director of our Company. As an independent director He will guide, drive and educate the company, the medical fraternity at large on the importance of modernisation in healthcare , its benefits and how it can be of substantial impact to better the overall child health care ecosystem. He is a practicing child specialist and teenager's Health Consultant. His curiosity for children and Adolescents (Teenagers) psychology outgrew during his graduating years of MBBS and M.D in pediatric, which he did from M. S University, Vadodara. He shared" while devoting his 15 years to private Pediatric practice, he is also giving his services as Hon. Secretary of the pediatricians association of Gujarat State (Academy of Pediatrics, Gujarat).

#### **Compensation and Benefits paid to the Managing Director as follows:**

Mr. Anirvan Amitava Dam has been appointed as the Managing Director of the company with effect from May 13, 2017 for a period of five years.

**The remuneration payable is as follows:**

<b>Name</b>	Mr. Anirvan Amitav Dam
<b>Date of Appointment</b>	May 13, 2017
<b>Period</b>	5 Years
<b>Salary</b>	Rs. 1,00,000/- per month

**Sitting fees payable to Non Executive Directors.**

Till date we have not paid any sitting fees to our Non- Executive Directors.

**Shareholding of Directors:**

The shareholding of our directors as on the date of this Draft Prospectus is as follows:

<b>Sr. No.</b>	<b>Name of Directors</b>	<b>No. Equity Shares held</b>	<b>Category/ Status</b>
1.	Mr. Anirvan Amitava Dam	10,25,728	Managing Director
2.	Mrs. Pallavi Anirvan Dam	15,02,291	Non Executive and Non Independent
3.	Dr. Nihar Pankaj Parekh	3,100	Non Executive and Independent
4.	Dr. Nishchal Bhatt	-	Non Executive and Independent

**Interest of Directors**

All the non executive directors of the company may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or Committee thereof as well as to the extent of other remuneration and/or reimbursement of expenses payable to them as per the applicable laws.

In addition, all the executive directors/non executive of the company may be deemed to be interested to the extent of remuneration and deposit received/rent received/to be received towards the property given to the company on lease basis.

The directors may be regarded as interested in the shares and dividend payable thereon, if any, held by or that may be subscribed by and allotted/transferred to them or the companies, firms and trust, in which they are interested as directors, members, partners and or trustees. All directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by the issuer company with any company in which they hold directorships or any partnership or proprietorship firm in which they are partners or proprietors as declared in their respective declarations.

Executive Directors are interested to the extent of remuneration paid to them for services rendered to the company.

Except as stated under Related Party Transaction on page no. 137 of this Draft Prospectus, our company has not entered into any contracts, agreements or arrangements during the preceding two years from the date of the Draft Prospectus in which our directors are interested directly or indirectly.

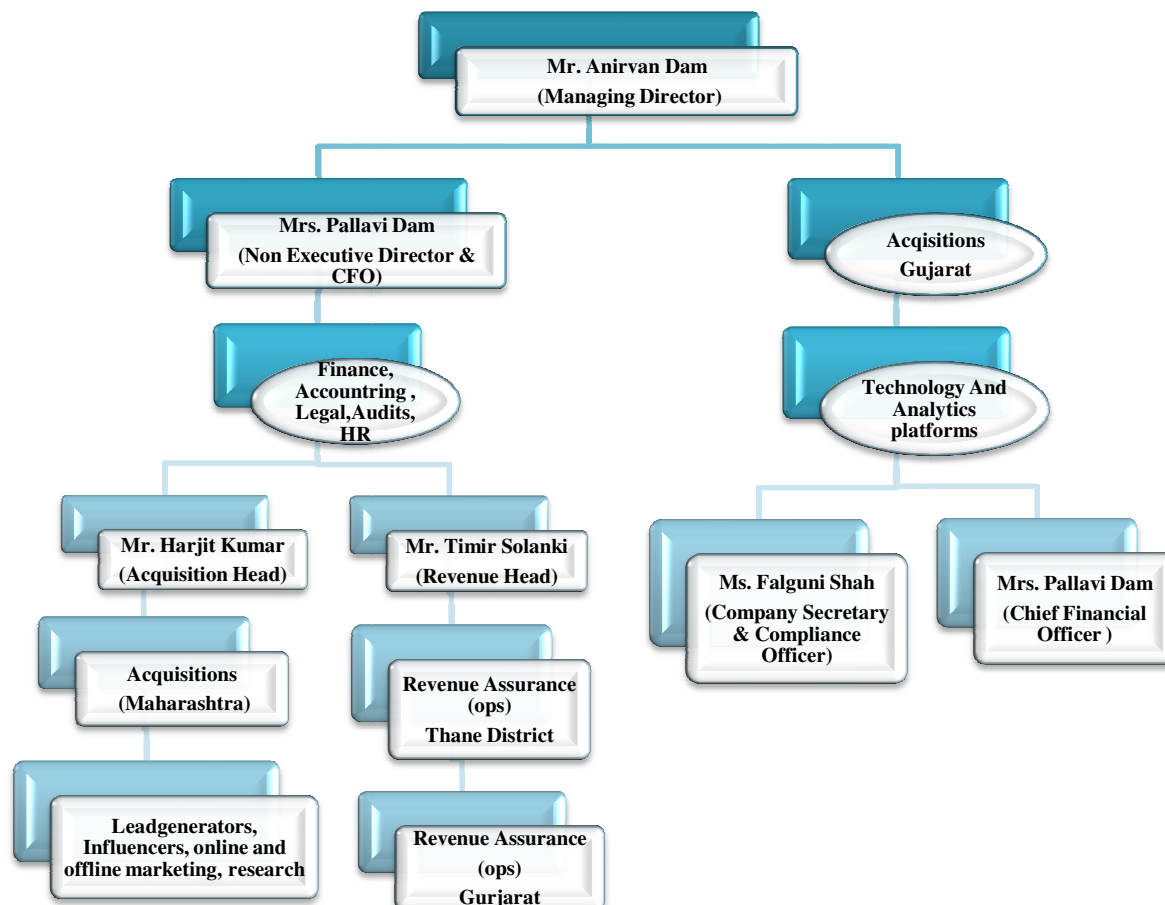
**Changes in the Board of Directors during the Last Three Years**

<b>Name of Directors</b>	<b>Date of Appointment</b>	<b>Date of change in Designation</b>	<b>Date of Cessation</b>	<b>Reason for the changes in the board</b>
Mr. Anirvan Amitava Dam	May 22, 2015	May 24, 2017	-	Appointed as Managing Director
Mrs. Pallavi Anirvan Dam	May 22, 2015	July 19, 2017	-	Appointed as Non Executive Director

Dr. Nihar Pankaj Parekh	July 10, 2017	-	-	Appointed as Additional Director
Dr. Nishchal Bhatt	July 10, 2017	-	-	Appointed as Additional Director

### Management Organization Structure

The Management Organization Structure of the company is depicted from the following chart:



### Corporate Governance

In additions to the applicable provisions of the Companies Act, 2013, with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will also be applicable to our company immediately upon the listing of Equity Shares on the Stock Exchanges.

Our Company has complied with the corporate governance code in accordance with the provisions of the SEBI Listing Regulations, particularly, in relation to appointment of independent directors to our Board and constitution of an audit committee, and a shareholders’ grievance committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

### Composition of Board of Directors

Currently the Board has four Directors. In compliance with the requirements of Regulation 17 of SEBI Listing Regulation, our Company has Two Executive Director and Two non-executive and independent Directors on the Board.

Composition of Board of Directors is set forth in the below mentioned table:

Sr. No	Board of Directors	Designation	Status	DIN
1.	Mr. Anirvan Amitava Dam	Managing Director	Executive and Non-Independent	03031807
2.	Mrs. Pallavi Anirvan Dam	Non Executive Director	Non Executive and Non Independent	03514501
3.	Dr. Nihar Pankaj Parekh	Independent Director	Non Executive and Independent	01818931
4.	Dr. Nishchal Bhatt	Independent Director	Non Executive and Independent	07867979

### Constitutions of Committees

Our company has constituted the following Committees of the Board:

1. **Audit Committee.**
2. **Stakeholders Relationship Committee.**
3. **Nomination and Remuneration Committee.**

#### 1. Audit Committee:

Our Company in pursuant to section 177 of the Companies Act, 2013, and Rule 6 of the Companies (Meeting of board and its powers) Rules, 2014 constituted Audit Committee in the Board Meeting held on September 08, 2017 by inducting Independent directors as committee members.

The members of the Audit Committee are as follows:

Name of the Directors	Designation	Nature of Directorship
Mrs. Pallavi Anirvan Dam	Non Executive and Non Independent	Chairman and Member
Mr. Nishchal Bhatt Vinaykant	Non Executive, Independent Director	Member
Mr. Nihar Pankaj Parekh	Non Executive, Independent Director	Member

The Chairman of the committee will be decided by the members of the committee. The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

### Terms of Reference

The terms of reference of Audit Committee are as follows:

#### Role of Audit Committee

The scope of audit committee 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. Scrutiny of inter-corporate loans and investments;
4. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
5. 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
- g. Qualifications in the draft audit report.
6. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
7. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
8. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
9. 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;
10. Discussion with internal auditors any significant findings and follow up there on;
11. 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;
12. 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;
13. 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;
14. To review the functioning of the Whistle Blower mechanism, in case the same is existing;
15. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
16. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
17. Valuation of undertakings or assets of the company, where ever it is necessary.
18. Evaluation of internal financial controls and risk management systems;
19. Monitoring the end use of funds raised through public offers and related matters.

#### **Review of information by Audit Committee**

The audit committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

#### **Powers of the Audit Committee:**

The audit committee shall have the powers, which should include the following:

1. To investigate any activity within its terms of reference;
2. To seek information from any employees;
3. To obtain outside legal or other professional advice; and

4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. 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 Issuer. 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.

## 2. Stakeholders Relationship Committee

Our Company in pursuant to section 178 of the Companies Act, 2013 constituted Stakeholders Relationship Committee in the Board Meeting held on September 08, 2017.

The members of the Stakeholders Relationship Committee are as follows:

Name of the Directors	Designation	Nature of Directorship
Mr. Nihar Pankaj Parekh	Non Executive, Independent Director	Chairman
Mr. Nishchal Bhatt Vinaykant	Non Executive, Independent Director	Member
Mr. Anirvan Amitava Dam	Managing Director	Member

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Stakeholders Relationship Committee.

The committee shall be governed by the "Terms of Reference" of the Stakeholders Relationship Committee as under and will carry out the following:-

### Terms of Reference

To allot the Equity Shares of the Company and to supervise and ensure:

- Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares;
- Redressal of shareholder and investor complaints like transfer of Shares, non-receipt of balance sheet, non-receipt of declared dividends etc.,
- Issue duplicate/split/consolidated share certificates;
- Allotment and listing of shares;
- Dematerialization/Rematerialization of Share
- Review of cases for refusal of transfer / transmission of shares and debentures;
- Reference to statutory and regulatory authorities regarding investor grievances and to otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- Such other matters as may from time to time are required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

## 3. Nomination and Remuneration Committee

Our Company in pursuant to section 178 of the Companies Act, 2013, and Rule 6 of the Companies (Meeting of board and its powers) Rules, 2014 constituted Nomination and Remuneration Committee in the Board Meeting held on September 08, 2017.

The members of the Nomination and Remuneration Committee are as follows:

Name of the Directors	Designation	Nature of Directorship
Mr. Nishchal Bhatt Vinaykant	Non-Executive, Independent Director	Chairman
Mr. Nihar Pankaj Parekh	Non-Executive, Independent Director	Member
Mr. Anirvan Amitava Dam	Managing Director	Member

The committee shall be governed by the "Terms of Reference" of the Nomination and Remuneration Committee as under and will carry out the following:-

**The terms of reference of the Nomination and Remuneration Committee are:**

- 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) To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- d) Devising a policy on Board diversity;
- e) 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 of Directors their appointment and removal and shall carry out evaluation of every director's performance.

**Our Key Management Personnel**

The Key Managerial Personnel of our Company other than our Directors are as follows:-

Name, Designation and Date of Joining	Qualification	Previous Employment	Overall Experience (in Years)	Remuneration paid In previous year (2016-17) (₹ in Lakhs)
Mrs. Pallavi Anirvan Dam Chief Finance Officer D.O.J.: July 19, 2017	B.Com, M.B.A	SIS Prep: Project Head ( Feb 2013-Feb 2014)	14	---
Ms. Falguni Dhruvil Shah Company Secretary D.O.J.: August 1, 2017	B.Com., C.S	As Clerk-cum-Cashier, with Dena Bank	-	---

**Notes:**

- All the key managerial personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no arrangement / understanding with major shareholders, customers, suppliers or others pursuant to which any of the above mentioned personnel have been recruited.
- None of our Key Managerial Personnel has been granted any benefits in kind from our Company, other than their remuneration.
- None of our Key Managerial Personnel has entered into any service contracts with our company and no benefits are granted upon their termination from employment other than statutory benefits provided by our Company.

**Relationship of Key Managerial Personnel**

None of the Key Managerial Personnel of our Company are related to each other.

**Shareholding of the Key Management Personnel**

None of our Key Managerial Personnel holds Equity Shares in our Company as on the date of filing Draft Prospectus other than Mrs. Pallavi Anirvan Dam, who is holding 15,02,291 Equity Shares of our Company.

**Bonus or Profit sharing plan for the Key Management Personnel**

Our Company does not have any bonus or profit sharing plan for our Key Managerial personnel.

**Changes in the Key Management Personnel**

The following are the changes in the Key Management Personnel in the last three years preceding the date of filing this Draft Prospectus, otherwise than by way of retirement in due course.

Name	Designation	Date of Appointment	Date of Cessation	Reason of changes
Mrs. Pallavi Anirvan Dam	Chief Financial Officer	July 19, 2017	-	Appointment
Mrs. Falguni Dhrumil Shah	Company Secretary & Compliance Officer	August 1, 2017	-	Appointment

**Employee Stock Option Scheme**

As on the date of filing of Draft Prospectus company does not have any ESOP Scheme for its employees.

**Relation of the Key Managerial Personnel with our Promoters/ Directors**

None of our Key Managerial Personnel are related to our Promoters/Directors except Mrs. Pallavi Anirvan Dam is Spouse of Mr. Anirvan Amitava Dam.


**Payment of Benefit to Officers of Our Company (non-salary related)**


Except the statutory payments made by our Company, in the last two years, our company has not paid any sum to its employees in connection with superannuation payments and ex-gratia/ rewards and has not paid any non-salary amount or benefit to any of its officers.

## OUR PROMOTERS AND PROMOTER GROUP

**The Promoters of Our Company are:**

**The Individual Promoters:**

Mr. Anirvan Amitava Dam	
	
Educational Qualification	B.A., PGDM
Permanent Account Number	AIXPD0902F
Passport Number	N2063393
Driving License	GJ01/507669/00
Aadhaar Card No.	736125004394
Name of Bank	HDFC Bank, Naranpura Branch, Ahmedabad
Bank Account Number	03831140004177
Voter ID	NA
Residential Address	C-101, Signor Residency, B/H Sanjay Tower, Shyamal Char Rasta, Satellite, Ahmedabad 380015
<p>Mr. Anirvan Amitava Dam, aged 40 years, is one of the Promoter as well as Managing Director of our Company. He has a graduate in economics, has done his PGDBM from Lal Bahadur Shastri Institute of Management, New delhi. Started his career in 2003, when he first worked with the FMCG giant Coca Cola and got exposure to various sides of the business in varied geographies. Consequently worked with other companies of repute such as Ge, Citibank, Radio Mirchi and Aviva Life Insurance across varied levels. Quit his job in 2009, as a regional head of Aviva, handling the state of Gujarat for their life insurance vertical. Always been a trailblazer performer and a best rated throughout his career in his professional stint. Started his first venture HIJACKK, a double decker moving bus restaurant. Got into the LIMCA book of records and amongst the top 5 entertainment ideas in the country. Joognu.com a memory portal for parents was awarded the best startup idea in Tie smashup in Ahmedabad and consequently in Mumbai. Covered extensively across various media platforms. "My startup Story" a world wide contest by LinkedIn was also won in the coming months <a href="http://blog.slideshare.net/2013/10/08/and-the-winner-of-mystartupstory-is/">http://blog.slideshare.net/2013/10/08/and-the-winner-of-mystartupstory-is/</a>. Kids Clinic is a forefront venture and Anirvans contribution is to get a strong team together and build a brand of trust and quality. Comes with innovative and strong ideas that can help create an strong company, with strong processes and strategic alliances. His key area of focus is aligned to take TKC to a national level, with 500 plus clinics which redefines the child health care segment.</p>	

Mrs. Pallavi Anirvan Dam	
	
Educational Qualification	B.Com, M.B.A
Permanent Account Number	AIXPD0901G
Passport Number	Z 4140143

Driving License	GJ05/201949/99
Aadhaar Card No.	444245063241
Name of Bank	Union Bank, C G Road Branch, Ahmedabad
Bank Account Number	435502010011355
Voter ID	NA
Residential Address	C-101, Signor Residency, B/H Sanjay Tower, Shyamal Char Rasta, Satellite, Ahmedabad 380015
Mrs. Pallavi Anirvan Dam, aged 37 years is one of the Promoters as well as Non-Executive & Non-Independent Director of our Company. She has been a multi-tasker since she took her first entrepreneurial steps in 2009. she has used her educational and professional experience to the optimum. An MBA finance graduate from Gujarat University, has worked with reputed companies in various financial and sales roles before she took up her first venture. THE KIDS CLINIC is an idea which germinated from her first hand experience when her second child was born.	

### **Confirmations**

We confirm that the details of the permanent account numbers, bank account numbers and passport numbers of our individuals Promoters will be submitted to the Stock Exchange at the time of filing the Drat Prospectus with the Stock Exchange.

Further, we confirm that Permanent Account Number, Bank Account Number, Company Registration Number and addresses of Registrars of Companies where the company is registered have been submitted to the Recognized Stock Exchange at the time of filing the Draft Prospectus with the Stock Exchange.

Further, our Promoters have confirmed that they have not been declared as willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.

Additionally, none of the Promoters have been restrained from accessing the capital markets for any reasons by the SEBI or any other authorities.

For details pertaining to other ventures of our Promoters refer chapter titled "Financial Information of our Group Companies" beginning on page no. 110 of the Draft Prospectus.

### **Change in the management and control of the Issuer**

There has not been any change in the management and control of our Company.

### **Relationship of Promoters with each other and with our Directors**

**Relationship of Promoters :** Mr. Anirvan Amitava Dam is a spouse of Mrs. Pallavi Anirvan Dam.

**Relationship of Directors:** There is no relationship, in terms of the Companies Act, between any of the directors of our company except Mr. Anirvan Amitava Dam is a spouse of Mrs. Pallavi Anirvan Dam.

### **Interest of Promoters**

Except as stated in Annexure 28 "Related Party Transaction" beginning on page no. 137 of the Draft Prospectus and to the extent of compensation / sitting fees and reimbursement of expenses in accordance with their respective terms of employment, our Promoter does not have any other interest in our business.

Further, our Promoter is also partners and Karta of HUF entities and may be deemed to be interested to the extent of the payments made by our Company, if any, to these Promoter Group entities. For the payments that are made by our Company to certain Promoter Group entities, please see the section "Related Party Transactions" on page no. 111.

### Payment of benefits to our Promoters

Except as stated in the section “Related Party Transactions” on page no. 111 there has been no payment of benefits to our Promoters during the two years preceding the filing of this Draft Prospectus.

### Our Promoter Group

Promoter and Promoter Group in terms of Regulation 2(1)(za) and 2(1)(zb) of the SEBI ICDR Regulations. In addition to our Promoters named above, the following individuals and entities form a part of the Promoter Group:

#### A. Natural persons who are part of our Promoter Group

##### Promoters: Mr. Anirvan Amitava Dam and Mrs. Pallavi Anirvan Dam

Relationship with promoter	Mr. Anirvan Amitava Dam	Mrs. Pallavi Anirvan Dam
Father	Late Shri Amitava Dam	Late Shri Pradeep Badjatia
Mother	Anasua Dam	Ranu Badjatia
Spouse	Pallavi Dam	Anirvan Dam
Brother	-	-
Sister	-	Chhavi kala
Son	Vivaan Dam	Vivaan Dam
Daughter	Aaria Dam	Aaria Dam
Spouse's Father	Late Shri Pradeep Badjatia	Late Shri Amitava Dam
Spouse's Mother	Ranu Badjatia	Anasua Dam
Spouse's Brother	-	-
Spouse's Sister	Chhavi Kala	-

#### B. Companies, Proprietary concerns, HUF's related to our promoters

Nature of Relationship	Entity
Any Body Corporate in which ten percent or more of the equity share capital is held by promoter or an immediate relative of the promoter or a firm or HUF in which promoter or any one or more of his immediate relative is a member.	1. Joognu Technologies Private Limited 2. Joognu Dot Com Private Limited
Any Body corporate in which a body corporate as provided above holds ten percent or more of the equity share capital	NA
Any Hindu Undivided Family or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than ten percent	NA

For further details on our Promoter Group refer Chapter Titled “Financial Information of our Group Companies” beginning on page no. 110 of Draft Prospectus.

#### Our Promoters Mr. Anirvan Dam and Mrs. Pallavi Dam had disassociated themselves from the following entities:

Name of Entities	Resignation date	Date of Transfer of Share Holding	Reason
Joognu Technologies Private Limited	July 19, 2017	August 9, 2017	Resigned as Director
Joognu Dot Com Private Limited	July 19, 2017	August 9, 2017	Resigned as Director

## **FINANCIAL INFORMATION OF OUR GROUP COMPANY**

As per the SEBI ICDR Regulations, for the purpose of identification of Group Companies, our Company has considered those companies as our Group Companies which is covered under the applicable accounting standard (AS-18) issued by the Institute of Chartered Accountants of India as per Restated Financial Statements. Further, pursuant to a resolution of our Board dated August 21, 2017 for the purpose of disclosure in relation to Group Companies in connection with the Issue, a company shall be considered material and disclosed as a Group Company if such company fulfils both the below mentioned conditions :-

- I. Such Company forms part of the Promoter Group of our Company in terms of Regulation 2(1)(z)(b) of the SEBI Regulations and;
- II. Our Company has entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10% of total revenue of the company as per Restated Standalone Financial Statements.

Based on the above, there are no Group Companies of our Company.



## **RELATED PARTY TRANSACTIONS**

For details of the related party transaction of our Company, see Annexure 28 and Notes to Accounts to the financial statements respectively, in “Auditors Report and Financial Information of Our Company” beginning from page no. 137 of this Draft Prospectus.

## **DIVIDEND POLICY**

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the Annual 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.

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, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

## SECTION VI - FINANCIAL INFORMATION

### AUDITOR'S REPORT AND FINANCIAL INFORMATION OF OUR COMPANY

#### Independent Auditor's Report for the Restated Financial Statements of

#### Kids Medical Systems Limited

To,  
The Board of Directors  
Kids Medical Systems Limited  
F-806, Titanium City Center,  
Near Sachin Tower,  
Anand Nagar Road,  
Satellite,  
Ahmedabad - 380015

Dear Sirs,

1. We have examined the attached Restated Statement of Assets and Liabilities of **Kids Medical Systems Limited** (the "Company") as at 5<sup>th</sup> September 2017, 31<sup>st</sup> March 2017, 31<sup>st</sup> March, 2016, 31<sup>st</sup> March, 2015 and 2014 and the related Restated Statement of Profit & Loss and Restated Statement of Cash Flow for the Period ended 5<sup>th</sup> September 2017 and FY ended 31<sup>st</sup> March 2017 and 31<sup>st</sup> March, 2016, 31<sup>st</sup> March, 2015 and 2014 annexed to this report for the purpose of inclusion in the offer document prepared by the Company (collectively the "**Restated Summary Statements**" or "**Restated Financial Statements**"). These Restated Summary Statements have been prepared by the Company and approved by the Board of Directors of the Company in connection with the Initial Public Offering (IPO) in SME Platform of BSE Limited (BSE SME).
2. These Restated Summary Statements have been prepared in accordance with the requirements of:
  - (i) Part I of Chapter III to the Companies Act, 2013 ("**Act**") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("**ICDR Regulations**") issued by the Securities and Exchange Board of India ("**SEBI**") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
  - (iii) The terms of reference to our engagements with the Company letter dated requesting us to carry out the assignment, in connection with the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of BSE Limited (BSE SME) ("**IPO**" or "**SME IPO**"); and
  - (iv) The Guidance Note on Reports in Company Prospectus (Revised 2016) issued by the Institute of Chartered Accountants of India ("**Guidance Note 2016**").
3. The Restated Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the period ended 5<sup>th</sup> September 2017 and for the financial year ended, 31<sup>st</sup> March 2017 and 31<sup>st</sup> March, 2016, 31<sup>st</sup> March 2015, 31<sup>st</sup> March 2014 which has been approved by the Board of Directors.
4. In accordance with the requirements of Part I of Chapter III of Act including rules made therein, ICDR Regulations, Guidance Note and Engagement Letter, we report that:

- (i) The “**Statement of Assets and Liabilities as Restated**” as set out in **Annexure 1** to this report, of the Company as at 5<sup>th</sup> September 2017, 31<sup>st</sup> March 2017 , 31<sup>st</sup> March, 2016, 31<sup>st</sup> March, 2015 and 2014 are prepared by the Company and approved by the Board of Directors. These Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully Described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure 4** to this Report.
  - (ii) The “**Statement of Profit and Loss as Restated**” as set out in **Annexure 2** to this report, of the Company for the period ended 5<sup>th</sup> September 2017, 31<sup>st</sup> March 2017 , 31<sup>st</sup> March, 2016, 31<sup>st</sup> March, 2015 and 2014 are prepared by the Company and approved by the Board of Directors. These Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure 4** to this Report.
  - (iii) The “**Statement of Cash Flow as Restated**” as set out in **Annexure 3** to this report, of the Company for the period ended 5<sup>th</sup> September 2017, 31<sup>st</sup> March 2017 , 31<sup>st</sup> March, 2016, 31<sup>st</sup> March, 2015 and 2014 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure 4** to this Report.
5. Based on the above, we are of the opinion that the Restated Financial Statements have been made after incorporating:
- a) Adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any.
  - b) Adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments.
  - c) There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments except as disclosed in the notes to accounts.
  - d) There were no qualifications in the Audit Reports issued by the Statutory Auditors for the financial period/year ended on 5<sup>th</sup> September 2017, 31<sup>st</sup> March 2017, 31<sup>st</sup> March, 2016, 31<sup>st</sup> March, 2015 and 2014 which would require adjustments in this Restated Financial Statements of the Company except as follows:
 

As per Accounting Standard- 15 (Employee Benefits) issued by the Institute of Chartered Accountants of India, Company is required to assess its gratuity liability each year on the basis of actuarial valuation and make provision for gratuity liability. However, company has not provided for gratuity liability in the financial statement and has not taken any actuarial valuation report. So same have been not provided in financial statements.
  - e) These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in **Annexure 4** to this report.
6. Audit for the period / financial year ended 31<sup>st</sup> March, 2016, 31<sup>st</sup> March, 2015 and 2014 was conducted by M/s. Mahajan Doshi & Associates (Chartered Accountants) & Samir M. Shah & Associates and accordingly reliance has been placed on the financial information examined by them for the said years. The financial report included for these years is based solely on the report submitted by them and no routine audit has been carried out by us.

Further financial statements for the financial period ended on 5<sup>th</sup> September, 2017 have been re-audited by us as per the relevant guidelines.

7. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the financial period/year ended on 5<sup>th</sup> September 2017, 31<sup>st</sup> March 2017, 31<sup>st</sup> March, 2016, 31<sup>st</sup> March, 2015 and 2014 proposed to be included in the Draft Prospectus/Prospectus (“**Offer Document**”).

**Annexure of Restated Financial Statements of the Company:-**

1. Significant Accounting Policies and Notes to Accounts as restated in Annexure 4;
  2. Reconciliation of Restated Profit as appearing in Annexure 5 to this report.
  3. Details of Share Capital as Restated as appearing in Annexure 6 to this report;
  4. Details of Reserves and Surplus as Restated as appearing in Annexure 7 to this report;
  5. Details of Deferred Tax Liabilities (Net) as Restated as appearing in Annexure 8 to this report;
  6. Details of Short Term Borrowings as Restated as appearing in Annexure 9 to this report;
  7. Details of Trade Payables as Restated as appearing in Annexure 10 to this report;
  8. Details of Other Current Liabilities as Restated as appearing in Annexure 11 to this report;
  9. Details of Short Term Provisions as Restated as appearing in Annexure 12 to this report;
  10. Details of Fixed Assets as Restated as appearing in Annexure 13 to this report;
  11. Details of Long Term Loans & Advances as Restated as appearing in Annexure 14 to this report;
  12. Details of other-non Current Assets as appearing in Annexure 15 to this report;
  13. Details of Inventories as Restated as appearing in Annexure 16 to this report;
  14. Details of Trade Receivables as Restated enclosed as Annexure 17 to this report;
  15. Details of Cash and Cash Equivalents as Restated enclosed as Annexure 18 to this report;
  16. Details of Short Term Loans & Advances as Restated as appearing in Annexure 19 to this report;
  17. Details of Revenue from operations as Restated as appearing in Annexure 20 to this report;
  18. Details of Particulars of Sale of Product as Restated as appearing in Annexure 21 to this report;
  19. Details of Other Income as Restated as appearing in Annexure 22 to this report;
  20. Details of Cost of Consumable as Restated as appearing in Annexure 23 to this report;
  21. Details of Employee Benefit Expenses as Restated as appearing in Annexure 24 to this report;
  22. Details of Finance Cost as Restated as appearing in Annexure 25 to this report;
  23. Details of Depreciation and Amortisation as Restated as appearing in Annexure 26 to this report;
  24. Details of Other expenses as Restated as appearing in Annexure 27 to this report;
  25. Details of Payment to Auditors as Restated as appearing in Annexure 27.1 to this report;
  26. Details of Related Parties Transactions as Restated as appearing in Annexure 28 to this report;
  27. Details of Summary of Accounting Ratios as Restated as appearing in Annexure 29 to this report
  28. Capitalization Statement as Restated as at 5<sup>th</sup> September 2017 as appearing in Annexure 30 to this report;
  29. Statement of Tax Shelters as Restated as appearing in Annexure 31 to this report.
8. We, Doshi Maru & Associates, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“**ICAI**”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.
9. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.
10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. In our opinion, except for the matter contained in para 5(d), the above financial information contained in Annexure 1 to 38 of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in Annexure 4 are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
13. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

**For Doshi Maru & Associates**  
**Chartered Accountants**

**Kirit Bheda**  
**Partner**  
**FRN No. 0112187W**  
**Membership No. 031642**  
**Place : Jamnagar**  
**Date : October 03, 2017**

**Annexure 1 Summary Statement of Assets and Liabilities as Restated**

Particulars		As At 31st March 2014	As At 31st March 2015	As At 31st March 2016	As at 31st March 2017	As at 5th September 2017
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>					
<b>a</b>	<b>Shareholders' funds</b>					
	(a) Share capital	1.00	1.00	1.21	1.21	509.11
	(b) Reserves and surplus	(40.82)	(119.98)	32.41	46.34	32.99
	(c) Money Received against share warrants					
<b>b</b>	<b>Share application money pending allotment</b>	-	-	-	-	-
<b>c</b>	<b>Non-current liabilities</b>					
	(a) Long-term borrowings	-	-	-	-	-
	(b) Deferred tax liabilities (Net)	-	-	-	-	-
	(c) Other Long-term Liabilities					
	(d) Long-term Provisions					
<b>d</b>	<b>Current liabilities</b>					
	(a) Short-term borrowings	-	-	-	60.00	27.84
	(b) Trade payables	90.39	196.97	24.01	249.10	0.74
	(c) Other current liabilities	0.21	5.10	7.58	13.64	9.71
	(d) Short-term provisions	-	-	-	1.50	1.50
	<b>TOTAL</b>	<b>50.78</b>	<b>83.10</b>	<b>65.22</b>	<b>371.79</b>	<b>581.89</b>
<b>II.</b>	<b>ASSETS</b>					
<b>a</b>	<b>Non-current assets</b>					
	(a) Property, Plant and Equipment					
	(i) Tangible assets	31.06	46.08	49.70	51.04	51.04
	(ii) Intangible Assets	-	-	-	-	-
	(iii) Intangible Assets under development	-	-	-	-	-
	(iv) Capital Work in Progress	-	-	-	248.20	353.82
	(v) Property, Plant and Equipment held for Sale				-	-
	Less: Accumulated Depreciation	2.78	1.00	21.19	28.18	30.43
	Net Block	28.29	33.25	28.51	271.07	374.43
	<b>(b) Non Current Investments</b>	-	-	-	-	-
	<b>(c) Deferred Assets</b>	-	-	-	-	-
	<b>(d) Long-term loans and advances</b>	-	10.60	10.60	1.20	2.32
	<b>(e) Other Non-Current Assets</b>	0.28	0.28	0.28	-	-
<b>b</b>	<b>Current assets</b>					
	(a) Current Investments	-	-	-	-	-
	(b) Inventories	1.62	1.62	2.63	20.67	19.65
	(c) Trade receivables	3.40	3.39	0.00	21.17	22.33
	(d) Cash and cash equivalents	6.00	5.87	7.89	45.60	25.80
	(e) Short-term loans and advances	11.20	28.09	15.30	12.07	137.35
	(f) Other Current Assets	-	-	-	-	-
	<b>TOTAL</b>	<b>50.78</b>	<b>83.10</b>	<b>65.22</b>	<b>371.79</b>	<b>581.89</b>

**Annexure 2 Summary of Statement of Profit and Loss account as Restated**

Particulars		For the year ended 31st March 2014	For the year ended 31st March 2015	For the year ended 31st March 2016	For the period ended 31st March 2017	For the period ended 5th September 2017
<b>I.</b>	Revenue from operations	23.44	59.30	95.64	224.57	32.26
<b>II.</b>	Other income	0.06	0.03	0.35	1.13	-
<b>III.</b>	Total Revenue (I + II)	23.50	59.32	95.99	225.70	32.26
<b>IV.</b>	Expenses:					
	Cost Of Consumable	1.69	16.61	18.70	21.62	4.94
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	-	-	-
	Employee benefits expense	21.03	72.94	74.25	55.34	12.43
	Finance costs	0.02	0.13	1.55	0.37	0.23
	Depreciation and amortization expense	2.78	10.06	8.35	6.99	2.25
	Other expenses	38.80	38.75	103.91	127.45	9.86
	<b>Total expenses</b>	<b>64.31</b>	<b>138.49</b>	<b>206.76</b>	<b>211.77</b>	<b>29.71</b>
<b>V.</b>	Profit before tax & Exceptional Item and Extraordinary item (III-IV)	(40.82)	(79.16)	(110.77)	13.93	2.56
	Exceptional Items	-	-	-	-	-
	Profit Before Tax & Extraordinary items	(40.82)	(79.16)	(110.77)	13.93	2.56
	Extraordinary items	-	-	-	-	-
<b>VI</b>	Profit Before Tax	(40.82)	(79.16)	(110.77)	13.93	2.56
<b>VII</b>	Tax expense:					
	(1) Current tax	-	-	-	-	-
	(2) Deferred tax	-	-	-	-	-
	(3) MAT Credit	-	-	-	-	-
<b>VIII</b>	Profit (Loss) for the period (V-VI)	(40.82)	(79.16)	(110.77)	13.93	2.56



**Annexure 3 Summary of Statement of Cash Flows as Restated**

Particulars	For the Period Ended 31st March,2014		For the Period Ended 31st March,2015		For the Period Ended 31st March,2016		For the Period Ended 31st March,2017		For the Period Ended 5th September,2017	
<b>Cash flow from Operating Activities</b>										
Net Profit Before tax as per Statement of Profit & Loss		(40.82)		(79.16)		(110.77)		13.93		2.56
Adjustments for :										
Prior Period Expenses					-		-		-	
Depreciation & Amortisation Exp.	2.78		10.06		8.35		6.99		2.25	
Loss (Profit) on Sale of Assets	-		-		-		-		-	
Dividend Income	-		-		-		-		-	
Interest Income	-		(0.02)		(0.01)		(0.00)		-	
Finance Cost	0.02	2.79	0.13	10.17	1.55	9.89	0.37	7.35	0.23	2.48
Operating Profit before working capital changes		(38.02)		(69.00)		(100.88)		21.28		5.04
Changes in Working Capital										
Trade receivable	(3.40)		0.01		3.38		(21.17)		(1.16)	
Other Loans and advances receivable	(11.20)		(16.89)		12.79		3.23		(125.28)	
Inventories	(1.62)		-		(1.01)		(18.04)		1.02	
Other Current Assets	-		-		-		-		-	
Trade Payables	90.39		106.58		(172.96)		225.09		(248.35)	
Other Current Liabilities	0.21		4.90		2.48		6.05		(3.93)	
Short term Provisions	-		-		-		1.50		-	
		74.38		94.60		(155.32)		96.66		(377.71)
<b>Net Cash Flow from Operation</b>		<b>36.36</b>		<b>25.60</b>		<b>(256.20)</b>		<b>217.94</b>		<b>(372.67)</b>
Less : Income Tax paid		-		-		-		-		-
<b>Net Cash Flow from Operating Activities (A)</b>		<b>36.36</b>		<b>25.60</b>		<b>(256.20)</b>		<b>217.94</b>		<b>(372.67)</b>
<b>Cash flow from investing Activities</b>										
Purchase of Fixed Assets	(31.06)		(15.02)		(3.62)		(249.54)		(106.38)	
Sale of Fixed Assets	-		-		-		-		0.77	
Other Non Current Assets (Net)	(0.28)		-		-		0.28		-	
Movement in Loans & Advances	-		(10.60)		-		9.40		(1.12)	
Purchase/Sale of Investment	-		-		-		-		-	
Interest Income	-		0.02		0.01		0.00		-	

Dividend Income	-		-		-		-		-
		(31.34)		(25.60)		(3.61)		(239.86)	(106.73)
<b>Net Cash Flow from Investing Activities (B)</b>		<b>(31.34)</b>		<b>(25.60)</b>		<b>(3.61)</b>		<b>(239.86)</b>	<b>(106.73)</b>
<b>Cash Flow From Financing Activities</b>					-	-		-	-
Proceeds From Issue of shares capital	1.00		-		263.37		-	491.99	
Proceeds From long Term Borrowing (Net)	-		-		-		60.00	-	
Short Term Borrowing (Net)	-		-		-		-	-	32.16
Interest Paid	(0.02)		(0.13)		(1.55)		(0.37)	(0.23)	
Dividend paid (Including DDT)	-	0.98	-	(0.13)	-	261.83	-	59.63	- 459.60
<b>Net Cash Flow from Financing Activities ©</b>		<b>0.98</b>		<b>(0.13)</b>		<b>261.83</b>		<b>59.63</b>	<b>459.60</b>
<b>Net (Decrease)/ Increase in Cash &amp; Cash Equivalents (A+B+C)</b>		<b>6.00</b>		<b>(0.12)</b>		<b>2.02</b>		<b>37.71</b>	<b>(19.80)</b>
<b>Opening Cash &amp; Cash Equivalents</b>		<b>-</b>		<b>6.00</b>		<b>5.87</b>		<b>7.89</b>	<b>45.60</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>6.00</b>		<b>5.87</b>		<b>7.89</b>		<b>45.60</b>	<b>25.80</b>
<b>Cash And Cash Equivalents Comprise:</b>									
<b>Cash</b>		<b>6.00</b>		<b>5.87</b>		<b>7.89</b>		<b>21.94</b>	<b>25.28</b>
<b>Bank Balance :</b>									
<b>Current Account</b>		<b>-</b>		<b>-</b>		<b>-</b>		<b>23.67</b>	<b>0.52</b>
<b>Deposit Account</b>		<b>-</b>		<b>-</b>		<b>-</b>		<b>-</b>	<b>-</b>
<b>Total</b>		<b>6.00</b>		<b>5.87</b>		<b>7.89</b>		<b>45.60</b>	<b>25.80</b>

#### **ANNEXURE – 4: Restated Significant accounting policies and notes on Accounts:**

##### **a. Basis of preparation of financial statements: -**

The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, 1956 (up to March 31, 2014), and notified sections, schedules and rules of the Companies Act 2013 (with effect from April 01, 2014), including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of Companies (Accounts) Rules, 2014).

The presentation of financial statements requires estimates and assumption to be made that affect the reported amount of assets & Liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which results are known/materialized.

##### **b. Use of Estimates**

The preparation and presentation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities, if any, as at the date of the financial statements and reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, employee retirement benefit plans, provision for income tax and the useful lives of fixed assets. The difference between the actual results and estimates are recognized in the period in which results are known or materialized.

##### **c. Valuation of Inventory: -**

Raw Material	:	At Lower of Cost or Net realizable value.
Semi-finished goods	:	At estimated cost.
Finished goods	:	At Lower of Cost or Net Realizable Value

##### **d. Cash Flow Statement:-**

Cash flow statement has been prepared as per requirements of Accounting Standard - 3. Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

##### **e. Contingencies and Events Occurring After the Balance Sheet Date : -**

Effects of, events occurred after Balance Sheet date and having material effect on financial statements are reflected where ever required.

##### **f. Net Profit or loss for the period, prior period items and changes in accounting policies: -**

Material items of prior period, non-recurring and extra ordinary items are shown separately, If any.

##### **g. Depreciation accounting : -**

Depreciation has been provided as per Written Down Value (WDV) Method at the rates and manner, specified in Schedule XIV to the Companies Act, 1956 for the year ending on 31<sup>st</sup> March 2013, and 2014 and it is provided as per the useful life

prescribed under schedule II of the Companies Act, 2013 on single shift for the year/ period ending on 31<sup>st</sup> March, 2015, 31<sup>st</sup> March 2016, 31<sup>st</sup> March 2017 and 5<sup>th</sup> September 2017 till the residual value of the asset is reduced equal to 5% of the original cost.

Pro Rata Basis to result in a more appropriate preparation or presentation of the financial statements.

In respect of assets added/sold during the period/year, pro-rata depreciation has been provided at the rates prescribed under Schedule II.

#### **h. Revenue Recognition:-**

Sale of goods is recognized at the point of dispatch of goods to customers, sales are exclusive of Sales tax, Vat and Freight Charges if any. The revenue and expenditure are accounted on a going concern basis. Sale of Services are recognized at the point of provision of services.

Interest Income is Recognized on a time proportion basis taking into account the amount outstanding and the rate applicable i.e. on the basis of matching concept.

Dividend from investments in shares / units is recognized when the company receives it, if any.

Other items of Income are accounted as and when the right to receive arises.

#### **i. Accounting for Property, Plant and Equipment: -**

Property, Plant and Equipment are stated at historical cost less accumulated depreciation and impairment losses, if any. Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use.

Property, Plant and Equipment under erection/installation are shown as “Capital Work in Progress”. Expenditure during construction period are shown as “pre-operative expenses” to be capitalized on completion of erection/ installations of the assets.

Intangible assets are stated at acquisition cost, Net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a written down value basis over their estimated useful lives.

#### **j. Accounting for effects of changes in foreign exchange rates: -**

- i. All transactions in foreign currency are recorded at the rates of exchange prevailing at the date of transaction. Any gain/ loss on account of the fluctuation in the rate of exchange is recognized in the statement of Profit and Loss.
- ii. Monetary items in the form of Loans, Current Assets and Current Liabilities in foreign currencies outstanding at the close of the year are converted in Indian currency at the appropriate rates of exchange prevailing on the date of Balance Sheet. Resultant gain or loss on account of the fluctuation in the rate of exchange is recognized in the statement of Profit and Loss.
- iii. In respect of Forward Exchange contracts entered into to hedge foreign currency risks, the difference between the forward rate and the exchange rate at the inception of the contract is recognized as income or expense over the life of the contract. Further, the exchange differences arising on such contracts are recognized as income or assets/liabilities.

#### **k. Accounting for Government Grants: -**

Capital subsidiary receivable specific to fixed assets is treated as per accounting standard 12 and other revenue grants is recorded as revenue items.

#### **l. Accounting for Investments: -**

Investments are classified in Long-term and Short-term. Long term Investments are valued at cost. Provision is also made to recognize any diminution other than temporary in the value of such investments. Short term investments are carried at lower of cost and fair value.

**m. Employees Retirement Benefit Plan:-**

**a. Provident Fund:-**

Provident fund is a defined contribution scheme as the company pays fixed contribution at pre-determined rates. The obligation of the company is limited to such fixed contribution. The contributions are charged to Profit & Loss A/c.

**b. Leave Encashment:-**

The Management has decided to apply pay-as-you-go method for payment of leave encashment. So amount of leave encashment will be accounted in the Profit & Loss A/c in the financial year in which the employee retires and provision will not be made on yearly basis.

**c. Provision for Gratuity:-**

As per Accounting Standard- 15 (Employee Benefits) issued by the Institute of Chartered Accountants of India, Company is required to assess its gratuity liability each year on the basis of actuarial valuation and make provision for gratuity liability. However, company has not provided for gratuity liability in the financial statement and has not taken any actuarial valuation report. So same have been not provided in financial statements.

**n. Borrowing Cost :-**

Borrowing costs directly attributable to the acquisition of qualifying assets are capitalized till the same is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing cost is charged to revenue.

**o. Related Party Disclosure :-**

The Disclosures of Transaction with the related parties as defined in the Accounting Standard are given in ANNEXURE 28.

**p. Accounting for Leases :-**

The Company has not entered into any lease agreements during the years/period.

**q. Earnings Per Share :-**

Disclosure is made in the Annexure 29 as per the requirements of the Accounting Standard - 20.

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

The number of shares used in computing Diluted earnings per share comprises the weighted average number of shares considered for computing Basic Earnings per share and also the weighted number of equity shares that would have been issued on conversion of all potentially dilutive shares.

In the event of issue of bonus shares, or share split the number of equity shares outstanding is increased without an increase in the resources. The number of Equity shares outstanding before the event is adjusted for the

proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.

**r. Accounting for Taxes on Income :-**

**Current Tax :-**

Provision for current tax is made after taken into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

**Deferred Taxes :-**

Deferred Income Tax is provided using the liability method on all temporary difference at the balance sheet date between the tax basis of assets and liabilities and their carrying amount for financial reporting purposes.

1. Deferred Tax Assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available in the future against which this items can be utilized.
2. Deferred Tax Assets and liabilities are measured at the tax rates that are expected to apply to the period when the assets is realized or the liability is settled, based on tax rates (and the tax) that have been enacted or enacted subsequent to the balance sheet date.

**s. Discontinuing Operations :-**

During the years/period, the company has not discontinued any of its operations.

**t. Provisions Contingent liabilities and contingent assets :-**

- Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.
- Contingent Liabilities are not recognized.
- Contingent Assets are neither recognized nor disclosed in the financial statements.
- Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet Date.

**u. Changes in Accounting Policies in the period/ years covered in the restated financials :-**

There are no changes in significant accounting policies for the period/ years covered in the restated financials.

**v. Notes on accounts as restated**

- ❖ The financial statements including financial information have been reworked, regrouped, and reclassified wherever considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in financial statements/ information may not be necessarily same as those appearing in the respective audited financial statements for the relevant period/years.
- ❖ Since the company has taken advance which Is given to director of company but for that company has not any agreement in writing.
- ❖ *The Company has not made an actuarial valuation for provision of Gratuity as per AS 15 and accounted for gratuity when gratuity is claimed by the employee at the time of retirement. To that extent the profit & loss account of the company does not represent true & fair result of the company performance.*

- ❖ Credit and Debit balances of unsecured loans, sundry creditors, sundry Debtors, loans and Advances are subject to confirmation and therefore the effect of the same on profit could not be ascertained.
- ❖ The current maturities of the Secured Long Term Borrowings have been correctly reclassified Current maturities of Long Term Debt (which is shown in other Current Liabilities) and Long Term Borrowings.
- ❖ Credit and Debit balances of unsecured loans, sundry creditors, sundry Debtors, loans and Advances are subject to confirmation and therefore the effect of the same on profit could not be ascertained.
- ❖ As it is not seen that probable taxable profit will be recovered in the eight years and moreover company is also in the expansion phase so recovery of taxable profit is not seen and in that case Deferred tax Asset has not been recognized. Income tax expenses comprise current tax deferred tax charge. The deferred tax charge is recognized using current tax rates. Where there is an Unabsorbed depreciation or carry forward loss, deferred tax assets are recognized only if there is virtual certainty of reasonable of such assets. Other deferred taxes are recognized only to extent there is reasonable certainty of realization in future. Deferred tax assets/liabilities are reviewed as at balance sheet date based on development during tax year and available case laws, to reassess realization/ liabilities.

#### Annexure 5 Reconciliation of Restated profit:

Adjustments for	For the year ended 31st March 2014	For the year ended 31st March 2015	For the year ended 31st March 2016	For the period ended 31st March 2017	For the period ended 5th September 2017
Net profit/(Loss) after Tax as per Audited Profit & Loss Account but before adjustments for Restated Accounts	35.47	63.85	123.29	12.23	2.56
<u>Adjustments for:</u>					
Depreciation As Per Companies Act.	-	1.49	0.20	-	-
Deferred Tax Liability / Asset Adjustment	-	-	1.10	-	-
Prior Period Items	-	-	-	-	-
Prior Period Depreciation	-	-	-	1.70	-
Other expenses	5.35	13.82	13.82	-	-
<b>Net Profit/ (Loss) After Tax as Restated</b>	<b>40.82</b>	<b>79.16</b>	<b>110.77</b>	<b>13.93</b>	<b>2.56</b>

#### Note :

##### a. Prior Period Items

As the Guidance notes on Reports in Company Prospectuses ( Revised 2016) Prior period Items are identified and adjusted in the respective Years.

##### b. Income Tax Provision

In Company Income tax Brought Forward or Depreciation whichever is less is deductible U/S 115JB of Income tax,2013, hence company is not provided Income tax Provision.

##### c. Deferred Tax Liability/ Asset Adjustment

There is change in deferred Tax Assets/Liabilities as per audited books of accounts and as per Restated Books and the same has been given effect in the year to which the same relates.

#### To Give Explanatory Notes regarding Adjustments

Appropriate adjustments have been made in the restated financial statements, wherever required by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the company for all the years and the requirements of the securities and Exchange board of India ( Issue of Capital and Disclosure Requirement ) Regulations 2009.

#### Annexure 6 SHARE CAPITAL

Share Capital	As At 31st March 2014		As At 31st March 2015		As At 31st March 2016		As at 31st March 2017		As at 5th September 2017	
	Number	Amt. Rs.	Number	Amt. Rs.	Number	Amt. Rs.	Number	Amt. Rs.	Number	Amt. Rs.
<b>Authorised</b>										
Equity Shares of Rs.10 each	0.10	1.00	0.20	2.00	0.20	2.00	0.20	2.00	71.00	710.00
<b>Issued</b>										
Equity Shares of Rs.10 each	0.10	1.00	0.10	1.00	0.12	1.21	0.12	1.21	50.91	509.11
<b>Subscribed &amp; Paid up</b>										
Equity Shares of Rs.10 each fully paid up	0.10	1.00	0.10	1.00	0.12	1.21	0.12	1.21	50.91	509.11
<b>Total</b>	<b>0.10</b>	<b>1.00</b>	<b>0.10</b>	<b>1.00</b>	<b>0.12</b>	<b>1.21</b>	<b>0.12</b>	<b>1.21</b>	<b>50.91</b>	<b>509.11</b>

#### RECONCILIATION OF NUMBER OF SHARES

Particulars	Equity Shares		Equity Shares		Equity Shares		Equity Shares		Equity Shares	
	Number	Amt. Rs.	Number	Amt. Rs.	Number	Amt. Rs.	Number	Amt. Rs.	Number	Amt. Rs.
Shares outstanding at the beginning of the year	0.10	1.00	0.10	1.00	0.10	1.00	0.12	1.21	0.12	1.21
Shares Issued during the year	-	-	-	-	0.02	0.21	-	-	50.79	507.90
Shares bought back during the year	-	-	-	-	-	-	-	-	-	-
Shares outstanding at the end of the year	0.10	1.00	0.10	1.00	0.12	1.21	0.12	1.21	50.91	509.11

Details of Shares held by shareholders holding more than 5% of the aggregate shares in the co.

Name of Shareholder	As At 31st March 2014		As At 31st March 2015		As At 31st March 2016		As at 31st March 2017		As at 5th September 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Pallavi Dam	0.04	37.74%	0.04	38.7%	0.04	32.00%	0.04	32.00%	15.07	29.61%
Anirvan Dam	0.03	28.19%	0.03	28.2%	0.03	23.28%	0.03	23.28%	10.31	20.25%
Kishor Gokhru	0.01	10.17%	0.01	10.2%	0.03	20.65%	0.03	20.65%	9.10	17.87%
Lovekesh sharma	0.01	5.64%	0.01	5.6%	-	0.00%	-	0.00%	-	0.00%
Harjit Kumar	0.01	5.64%	0.01	5.6%	-	0.00%	-	0.00%	3.36	6.60%



Timir solanki	0.01	5.64%	0.01	5.6%	-	0.00%	-	0.00%	3.36	6.60%
Suncare Traders Limited	-	0.00%	-	0.00%	-	0.00%	-	0.00%	3.10	6.09%
Three D Enterprise Pvt. Ltd.	-	0.00%	-	0.00%	-	0.00%	-	0.00%	3.76	7.38%
	-	0.00%	-	0.00%	-	0.00%	-	0.00%	3.76	7.38%

#### ANNEXURE 7 RESERVE AND SURPLUS

Particulars	As at 31st March 2014	As at 31st March 2015	As at 31st March 2016	As at 31st March 2017	As at 5th September 2017
<b>A. Securities Premium Account</b>					
Opening Balance	-	-		263.16	263.16
Add: Securities premium credited on Share issue	-	-	263.16	-	486.79
Less : Premium Utilised for various reasons					
ROC Fees and Stamp Duty Fees					10.01
For Issuing Bonus Shares	-	-	-	-	492.69
Closing Balance	-	-	263.16	263.16	247.26
<b>B. Surplus</b>					
Opening balance	-	(40.82)	(119.98)	(230.75)	(216.82)
(+) Net Profit/(Net Loss) For the current year	(40.82)	(79.16)	(110.77)	13.93	2.56
(-) Tax Provision Set Off	-				
(-)Adjustment in F.A as per Companies Act,2013	-	-	-	-	-
Closing Balance	(40.82)	(119.98)	(230.75)	(216.82)	(214.27)
<b>Total</b>	<b>(40.82)</b>	<b>(119.98)</b>	<b>32.41</b>	<b>46.34</b>	<b>32.99</b>

#### ANNEXURE 8 DEFERRED TAX ASSETS/ LIABILITIES (NET)

Particulars	As At 31st March 2014	As At 31st March 2015	As At 31st March 2016	As at 31st March 2017	As at 5th September 2017
WDV as per book	28.29	33.25	28.51	22.87	20.62
WDV as per IT	27.19	36.60	34.18	30.47	28.52
Time Difference	1.10	3.35	5.66	7.60	7.91
Disallowance u/s 43B	-	-	-	-	-
Brought forward Unabsorbed Loss & Depreciation	41.88	126.31	249.04	240.63	238.38
<b>Total</b>	<b>(40.77)</b>	<b>(129.66)</b>	<b>(254.70)</b>	<b>(248.23)</b>	<b>(246.29)</b>
<b>As per B/S (Liability)/(Asset)</b>	<b>(12.60)</b>	<b>(40.07)</b>	<b>(78.70)</b>	<b>(74.15)</b>	<b>(63.42)</b>

Note:

As it is not seen that probable taxable profit will be recovered in the eight years and moreover company is also in the expansion phase so recovery of taxable profit is not seen and in that case Deferred tax Asset has not been recognized

if recognised the same in the profit and loss accounts than profit of the respective years will be increased/(decreased) as given below :-

Effects of Deferred Tax Asserts in Profit and Loss account if recognised Profit/(Loss)	12.60	27.47	38.64	(4.56)	(10.73)
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#### Annexure 9 SHORT TERM BORROWINGS

Particulars	As at 31st March 2014	As at 31st March 2015	As at 31st March 2016	As at 31st March 2017	As at 5th September 2017
<b>Secured</b>	-	-	-	-	-
<b>(a) Working Capital Loans</b>					
<b>From banks</b>					
Sub-Total (a)	-	-	-	-	-
<b>Unsecured</b>					
(a) Loans and advances Repayable on Demand	-	-	-	-	0.01
(b) Loans & Advances from Promoters/ Promoter Group/Group Companies				-	-
(c) Loans and advances from others	-	-	-	60.00	27.83
Sun-Total (b)	-	-	-	60.00	27.84
<b>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) &amp; (b)</b>					
1. Period of default	-	-	-	-	-
2. Amount	-	-	-	-	-
<b>Total</b>	-	-	-	<b>60.00</b>	<b>27.84</b>

#### ANNEXURE 10 TRADE PAYABLES

Particulars	As at 31st March 2014	As at 31st March 2015	As at 31st March 2016	As at 31st March 2017	As at 5th September 2017
<b>From Promoters/Promoter Group/ Group Companies</b>					
(a) Micro, Small and Medium Enterprise	-	-	-	-	-
(b) Others	-	-	-	-	-
<b>From Others</b>					
(a) Micro, Small and Medium Enterprise	-	-	-	-	-
(b) Others	90.39	196.97	24.01	249.10	0.74
<b>Total</b>	<b>90.39</b>	<b>196.97</b>	<b>24.01</b>	<b>249.10</b>	<b>0.74</b>

#### ANNEXURE 11 OTHER CURRENT LIABILITIES

Particulars	As at 31st March 2014	As at 31st March 2015	As at 31st March 2016	As at 31st March 2017	As at 5th September 2017
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(ii) Statutory Liabilities					
(a) Vat Payable					
(b) TDS Payable	-	5.10	7.58	13.64	9.71
(c) Service Tax Payable	-	-	-	-	-
(d) Other	0.21	-	-	-	-
(iii) Advanced from Customers					
(iv) Deposits from Customers	-	-	-	-	-
(v) Other Payables (Specify Nature)					
Expenses Payable	-	-	-	-	-
<b>Total</b>	<b>0.21</b>	<b>5.10</b>	<b>7.58</b>	<b>13.64</b>	<b>9.71</b>

#### ANNEXURE 12 SHORT TERM PROVISIONS

Particulars	As at 31st March 2014	As at 31st March 2015	As at 31st March 2016	As at 31st March 2017	As at 5th September 2017
<b>Provision For</b>					
<b>(a) Employee benefits</b>					
(i) Contribution to PF	-	-	-	-	-
(ii) Contribution to ESIC	-	-	-	-	-
(ii) Worker Salary Payable	-	-	-	-	-
(iii) Bonus Payable	-	-	-	-	-
<b>(b) Others (Specify nature)</b>					
(i) Income Tax	-	-	-	-	-
(ii) Audit Fees	-	-	-	1.50	1.50
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.50</b>	<b>1.50</b>

#### ANNEXURE 13 Fixed Assets (Property, Plant & Equipments)

Fixed Assets	Gross Block				Accumulated Depreciation					Net Block	
	Balance as at 1 April 2013	Additions	Disposals	Balance as at 31 March 2014	Balance as at 1 April 2013	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31 March 2014	Balance as at 31 March 2014	Balance as at 1 April 2013
<b>a Tangible Assets</b>											
Building	-	14.56	-	14.56	-	1.04	-	-	1.04	13.52	-
Office Equipment	-	5.35	-	5.35	-	0.46	-	-	0.46	4.89	-
Furniture and Fixtures	-	8.71	-	8.71	-	0.84	-	-	0.84	7.87	-
Computers & Printers	-	2.45	-	2.45	-	0.44	-	-	0.44	2.01	-
<b>Total</b>	<b>-</b>	<b>31.06</b>	<b>-</b>	<b>31.06</b>	<b>-</b>	<b>2.78</b>	<b>-</b>	<b>-</b>	<b>2.78</b>	<b>28.29</b>	<b>-</b>

	Gross Block	Accumulated Depreciation	Net Block
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Fixed Assets		Balance as at 1 April 2014	Additions	Disposals	Balance as at 31 March 2015	Balance as at 1 April 2014	Depreciation charge for the year	Amount Charged to Reserves/ Adj. As Per Companies Act 2013	On disposal	Balance as at 31 March 2015	Balance as at 31 March 2015	Balance as at 1 April 2014
a	<b>Tangible Assets</b>											
	Building	14.56	4.41	-	18.96	1.04	1.44	-	-	2.47	16.49	13.52
	Office Equipment	5.35	0.45	-	5.80	0.46	2.49	-	-	2.95	2.85	4.89
	Furniture and Fixtures	8.71	6.90	-	15.61	0.84	3.83	-	-	4.67	10.94	7.87
	Office Equipment	-	-	-	-	-	-	-	-	-	-	-
	Computers & Printers	2.45	3.26	-	5.71	0.44	2.30	-	-	2.74	2.96	2.01
	<b>Total</b>	<b>31.06</b>	<b>15.02</b>	<b>-</b>	<b>46.08</b>	<b>2.78</b>	<b>10.06</b>	<b>-</b>	<b>-</b>	<b>12.83</b>	<b>33.25</b>	<b>28.29</b>

Fixed Assets	Gross Block				Accumulated Depreciation				Net Block			
	Balance as at 1 April 2015	Additions	Disposal/ Adjustments	Balance as at 31 March 2016	Balance as at 1 April 2015	Depreciation charge for the year	Amount Charged to Reserves	Deductions/ Adjustments	Balance as at 31 March 2016	Balance as at 31 March 2016	Balance as at 1 April 2015	
a	<b>Tangible Assets</b>											
	Building	18.96	-	-	18.96	2.47	1.59	-	-	4.07	14.90	16.49
	Office Equipment	5.80	-	-	5.80	2.95	1.40	-	-	4.34	1.46	2.85
	Furniture and Fixtures	15.61	1.56	-	17.17	4.67	3.20	-	-	7.87	9.31	10.94
	Office Equipment	-	-	-	-	-	-	-	-	-	-	-
	Computers & Printers	5.71	2.06	-	7.77	2.74	2.17	-	-	4.91	2.85	2.96
	<b>Total</b>	<b>46.08</b>	<b>3.62</b>	<b>-</b>	<b>49.70</b>	<b>12.83</b>	<b>8.35</b>	<b>-</b>	<b>-</b>	<b>21.19</b>	<b>28.51</b>	<b>33.25</b>

Fixed Assets	Gross Block				Accumulated Depreciation				Net Block			
	Balance as at 1 April 2016	Additions	Disposal/ Adjustments	Balance as at 31 March 2017	Balance as at 1 April 2016	Depreciation charge for the year	Amount Charged to Reserves	Deductions/ Adjustments	Balance as at 31 March 2017	Balance as at 31 March 2017	Balance as at 1 April 2016	
a	<b>Tangible Assets</b>											
	Building	18.96	-	-	18.9	4.07	1.44	-	-	5.51	13.4	14.90

					6						6	
Office Equipment	5.80	0.16	-	5.96	4.34	0.77	-	-	5.11	0.85	1.46	
Furniture and Fixtures	17.17	0.30	-	17.47	7.87	2.53	-	-	10.39	7.08	9.31	
Computers & Printers	7.77	0.88	-	8.65	4.91	2.26	-	-	7.17	1.48	2.85	
Sub-Total(a)	49.70	1.34	-	51.04	21.19	6.99	-	-	28.18	22.87	28.51	
<b>Capital Work In Progress</b>	-	248.20	-	248.20	-	-	-	-	-	248.20	-	
Sub-Total(b)	-	248.20	-	248.20	-	-	-	-	-	248.20	-	
<b>Total</b>	<b>49.70</b>	<b>249.54</b>	<b>-</b>	<b>299.25</b>	<b>21.19</b>	<b>6.99</b>	<b>-</b>	<b>-</b>	<b>28.18</b>	<b>271.07</b>	<b>28.51</b>	

Fixed Assets	Gross Block				Accumulated Depreciation				Net Block		
	Balance as at 1 April 2017	Additions	Disposal/Adjustment	Balance as at 5 September 2017	Balance as at 1 April 2017	Depreciated for the year	Amount Charge to Reserves	Deductions/Adjustments	Balance as at 5 September 2017	Balance as at 5 September 2017	Balance as at 1 April 2017
<b>a Tangible Assets</b>											
Building	18.96	-	-	18.96	5.51	0.56	-	-	6.07	12.89	13.46
Office Equipment	5.96	-	-	5.96	5.11	0.18	-	-	5.29	0.67	0.85
Furniture and Fixtures	17.47	-	-	17.47	10.39	0.81	-	-	11.20	6.27	7.08
Computers & Printers	8.65	-	-	8.65	7.17	0.70	-	-	7.87	0.78	1.48
Sub-Total(a)	51.04	-	-	51.04	28.18	2.25	-	-	30.43	20.62	22.87
<b>b Capital Work In Progress</b>	248.20	106.38	0.77	353.82	-	-	-	-	-	353.82	248.20
Sub-											

Total(b)	248.20	106.38	0.77	353.82	-	-	-	-	-	353.82	248.20
<b>Total</b>	<b>299.25</b>	<b>106.38</b>	<b>0.77</b>	<b>404.86</b>	<b>28.18</b>	<b>2.25</b>	<b>-</b>	<b>-</b>	<b>30.43</b>	<b>374.43</b>	<b>271.07</b>

#### ANNEXURE 14 LONG TERM LOANS AND ADVANCES

Particulars	As at 31st March 2014	As at 31st March 2015	As at 31st March 2016	As at 31st March 2017	As at 5th September 2017
a. long term loans and advances recoverable from Directors/ Promoters/Promoter Group/ Associates / Relatives of Directors/ Group Company	-	-	-	-	-
<b>a. Other Long Term Loans &amp; Advances</b>					
Capital Advances	-	-	-	-	-
Secured	-	-	-	-	-
Unsecured	-	-	-	-	-
Doubtful	-	-	-	-	-
Security Deposits					
Secured	-	-	-	-	-
Unsecured	-	10.60	10.60	1.20	2.32
Doubtful	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>10.60</b>	<b>10.60</b>	<b>1.20</b>	<b>2.32</b>

#### ANNEXURE-15 OTHER NON CURRENT ASSETS

Particulars	As at 31st March 2014	As at 31st March 2015	As at 31st March 2016	As at 31st March 2017	As at 5th September 2017
<b>Secured</b>					
(a) Trade Receivable	-	-	-	-	-
(b) Unamortised expenses	-	-	-	-	-
Sub-Total (a)	-	-	-	-	-
<b>Unsecured</b>					
(a) Trade Receivable	-	-	-	-	-
(b) Unamortised expenses	-	-	-	-	-
(C) Others	0.28	0.28	0.28	-	-
Sub-Total	0.28	0.28	0.28	-	-
<b>Total</b>	<b>0.28</b>	<b>0.28</b>	<b>0.28</b>	<b>-</b>	<b>-</b>

#### ANNEXURE -16 INVENTORIES

Particulars	As at 31st March 2014	As at 31st March 2015	As at 31st March 2016	As at 31st March 2017	As at 5th September 2017
Medicines & Vaccine	1.62	1.62	2.63	20.67	19.65
(Valued at Lower of Cost or NRV as per FIFO Method)					
Goods-In-transit	-	-	-	-	-
<b>Total</b>	<b>1.62</b>	<b>1.62</b>	<b>2.63</b>	<b>20.67</b>	<b>19.65</b>

**ANNEXURE 17 TRADE RECEIVABLES**

Particulars	As at 31st March 2014	As at 31st March 2015	As at 31st March 2016	As at 31st March 2017	As at 5th September 2017
<b>outstanding for a period exceeding six months from the date they were due for payment</b>					
Secured, considered good	-	-	-	-	-
Unsecured, considered good	2.99	1.80	-	-	3.02
Doubtful	-	-	-	-	-
Less: Provision for doubtful trade receivables	-	-	-	-	-
Sub-total (a)	2.99	1.80	-	-	3.02
<b>Other Trade receivables</b>					
Secured, considered good	-	-	-	-	-
Unsecured, considered good	0.41	1.59	0.00	21.17	19.31
Doubtful	-	-	-	-	-
Less: Provision for doubtful trade receivables	-	-	-	-	-
Sub-total (b)	0.41	1.59	0.00	21.17	19.31
<b>Total</b>	<b>3.40</b>	<b>3.39</b>	<b>0.00</b>	<b>21.17</b>	<b>22.33</b>

**ANNEXURE 18 CASH AND CASH EQUIVALENTS**

Particulars	As at 31st March 2014	As at 31st March 2015	As at 31st March 2016	As at 31st March 2017	As at 5th September 2017
a. Cash on Hand	4.50	3.18	0.75	21.94	25.28
b. Balance with Banks					
(i) in Current Accounts					
HDFC Bank Ltd - 61271	-	0.05	0.01	4.03	0.07
HDFC Bank Ltd - 5128	-	-	-	10.00	-
HDFC Bank Ltd - 9852	-	-	-	0.96	-
HDFC Bank Ltd - 29911	-	-	4.46	7.83	0.10
HDFC Bank Ltd - 1813	-	-	-	-	0.01
Axis Bank -7031	0.55	0.63	1.04	0.51	0.04
Axis Bank -92048	-	-	1.42	0.11	0.28
Yes Bank - 2960	0.12	0.14	0.09	0.00	-
RBL Bank -79434	-	-	-	0.23	-
Union Bank of India-0548	-	-	-	-	0.01
United Bank of India-1446	-	-	-	-	0.02
Kotak Bank	0.50	0.50	-	-	-
Ratnakar Bank	0.32	1.37	0.11	-	-
(ii) in Deposit Accounts	-	-	-	-	-
<b>Total</b>	<b>6.00</b>	<b>5.87</b>	<b>7.89</b>	<b>45.60</b>	<b>25.80</b>

**ANNEXURE 19 SHORT TERM LOANS AND ADVANCES**

Particulars	As at 31st March 2014	As at 31st March 2015	As at 31st March 2016	As at 31st March 2017	As at 5th September 2017
<b>a. Loans and advances to Directors/Promoters/Promoter Group/ Associates/ Relatives of Directors/Group Company</b>	-	-	-	-	-
Loans to concerns in which Directors are Interested	5.10	5.43			
<b>b. Balance with Government Authorities</b>	-	0.24	-	0.01	0.01
<b>c. Others (specify nature)</b>					
Advance to Suppliers	-	21.51	-	-	-
Security Deposits	6.10	0.60	1.10	1.95	0.67
Loans & Advances To Employees	-	-	-	-	-
Advance against Property	-	-	-	-	116.40
Other Loans and Advances	-	0.32	14.20	10.11	20.27
<b>Total</b>	<b>11.20</b>	<b>28.09</b>	<b>15.30</b>	<b>12.07</b>	<b>137.35</b>

#### ANNEXURE 20 REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2015	For the year ended 31st March 2016	For the period ended 31st March 2017	For the period ended 5th September 2017
Sales of & Services	23.44	59.30	95.64	224.57	32.26
Other Operating Revenue	-	-	-	-	-
<b>Total</b>	<b>23.44</b>	<b>59.30</b>	<b>95.64</b>	<b>224.57</b>	<b>32.26</b>

#### ANNEXURE 21 PARTICULARS OF REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2015	For the year ended 31st March 2016	For the period ended 31st March 2017	For the period ended 5th September 2017
<b>Sale of Services</b>					
Healthcare Management Services	11.10	46.71	86.89	224.33	32.01
Franchise Income	12.33	11.57	0.35	-	-
Light Session Income	-	-	3.04	0.24	-
Other Medical Services	0.01	1.01	5.37	-	0.25
<b>Total</b>	<b>23.44</b>	<b>59.30</b>	<b>95.64</b>	<b>224.57</b>	<b>32.26</b>

#### ANNEXURE 22 OTHER INCOME

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2015	For the year ended 31st March 2016	For the period ended 31st March 2017	For the period ended 5th September 2017	Nature
<b>Interest Income</b>						



Interest Income Of Tax Refund	-	0.02	0.01	0.00	-	Non Recurring and not related to business activity.
<b>Other Income</b>						
Income Tax Refund	-	-	-	0.09	-	
Cash Discount	0.01	0.01	0.34	-	-	
Kasar	-	-	-	0.07	-	
Royalty Income	0.01	-	-	-	-	Recurring and related to business activity
Commission Received	0.04	-	-	0.96	-	Non recurring and related to business activity
<b>Total</b>	<b>0.06</b>	<b>0.03</b>	<b>0.35</b>	<b>1.13</b>	<b>-</b>	

#### ANNEXURE 23 COST OF CONSUMABLE

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2015	For the year ended 31st March 2016	For the period ended 31st March 2017	For the period ended 5th September 2017
<u>Medicine &amp; Vaccine Cost:</u>					
Opening Stock	-	1.62	1.62	2.63	20.67
Add:- Purchase	3.30	16.61	19.71	39.67	3.92
Less: Closing Stock	1.62	1.62	2.63	20.67	19.65
<b>Total</b>	<b>1.69</b>	<b>16.61</b>	<b>18.70</b>	<b>21.62</b>	<b>4.94</b>

#### ANNEXURE 24 EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2015	For the year ended 31st March 2016	For the period ended 31st March 2017	For the period ended 5th September 2017
(a) Salaries and Wages	21.03	72.94	74.24	55.31	12.43
(b) Contributions to Provident Fund & Other Fund	-	-	-	-	-
Provident fund	-	-	-	-	-
ESIC	-	-	-	-	-
(c) Staff welfare expenses	-	-	0.01	0.02	-
<b>Total</b>	<b>2,103,278.00</b>	<b>7,293,775.00</b>	<b>7,425,123.00</b>	<b>5,533,583.00</b>	<b>1,243,082.00</b>

#### ANNEXURE 25 FINANCE COST

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2015	For the year ended 31st March 2016	For the period ended 31st March 2017	For the period ended 5th September 2017
(a) Interest expense :-					

(i) Borrowings			0.28		
(ii) Int. On TDS		0.04	0.98		
(b) Other borrowing costs	0.02	0.09	0.29	0.37	0.23
<b>Total</b>	<b>0.02</b>	<b>0.13</b>	<b>1.55</b>	<b>0.37</b>	<b>0.23</b>

#### ANNEXURE 26 DEPRECIATION AND AMORTISATION

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2015	For the year ended 31st March 2016	For the period ended 31st March 2017	For the period ended 5th September 2017
Depreciation Exp	2.78	10.06	8.35	6.99	2.25
Amortisation Exp	-	-	-	-	-
<b>Total</b>	<b>2.78</b>	<b>10.06</b>	<b>8.35</b>	<b>6.99</b>	<b>2.25</b>

#### ANNEXURE 27 OTHER EXPENSES

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2015	For the year ended 31st March 2016	For the period ended 31st March 2017	For the period ended 5th September 2017
<b>Operating Expenses</b>					
Consultancy charges	2.31	4.24	49.29	99.23	2.99
Electricity Power & Fuel	0.70	1.88	1.35	2.67	0.33
Rent Exp.	13.18	12.04	23.59	6.51	2.46
Clinic Exp.			1.92	3.91	0.86
Business Support & Promotional Activities:					
Advertisement Expenses	1.06	3.50	2.18	0.77	0.01
Business Promotion & Development Exp.	2.07	0.12	-	-	-
Commission Expenses	2.64	0.90	0.60	-	-
<b>Establishment Expenses</b>					
Rates & Taxes	0.02	-	0.50	0.11	0.19
Payment To auditor	0.11	-	0.69	1.50	-
Repair & Maintenance Exp	0.55	5.35	0.31	0.55	0.18
Travelling Exp	0.66	0.58	9.19	2.74	0.18
Telephone & Fax Exp	0.22	0.93	1.24	1.23	0.44
Stationery & Printing Exp	4.17	0.58	0.26	0.19	0.03
Office Exp.	2.75	4.06	5.94	2.36	0.28
Miscellaneous Expense	8.05	4.46	6.87	5.69	1.91
<b>Total</b>	<b>38.80</b>	<b>38.75</b>	<b>103.91</b>	<b>127.45</b>	<b>9.86</b>

#### ANNEXURE-27.1 PAYMENT TO AUDITORS :

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2015	For the year ended 31st March 2016	For the period ended 31st March 2017	For the period ended 5th September 2017
a. auditor	0.11	-	0.69	1.00	-
b. for taxation matters	-	-	-	0.35	-

c. for company law matters	-	-	-	-	-
d. for management services	-	-	-	-	-
e. for other services	-	-	-	0.15	-
f. for reimbursement of expenses	-	-	-	-	-
<b>Total</b>	<b>0.11</b>	<b>-</b>	<b>0.69</b>	<b>1.50</b>	<b>-</b>

#### ANNEXURE 28 RELATED PARTY TRANSACTION

i) Names of related parties and description of relationship with the company

A) Key managerial personnel and their relatives	B) Entities under common control/ Entities over which the Promoter has significant influence
a. Anirvan Amitava Dam- Managing Director	a. Jupin Health Care Pvt. Ltd.
b. Pallavi Anirvan Dam- Director/CFO	b. Pans Child Services Pvt. Ltd.
c. Nihar Pankaj Parekh- Additional Director	c. Jck Healthcare Pvt. Ltd.
d. Nishchal Bhatt- Additional Director	d. Joognu Technologies private Limited.
e. Falguni Dhurmil Shah- Company Secretary	

Particulars	Transaction	Transaction Debit in 2013-14	Transaction Credit in 2013-14	Outstanding as on 31.03.14	Transaction Debit in 2014-15	Transaction Credit in 2014-15	Outstanding as on 31.03.15	Transaction Debit in 2015-16	Transaction Credit in 2015-16	Outstanding as on 31.03.16	Transaction Debit in 2016-17	Transaction Credit in 2016-17	Outstanding as on 31.03.17	Transaction Debit in 2017-18	Transaction Credit in 2017-18	Outstanding as on 05.09.2017
				Payable (Receivable)			Payable/ (Receivable)			Payable/ (Receivable)			Payable/ (Receivable)			Payable/ (Receivable)
Pallavi Dam	Director or Remuneration	-	-	-	4.95	-	-	4.20	-	-	-	-	-	-	-	-
Pallavi Dam	Advance for Property	-	-	-	-	-	-	-	-	-	-	-	-	16.95	-	16.95
Anirav Dam	Director or Remuneration	-	-	-	5.15	-	-	4.20	-	-	-	-	-	-	-	-
Anirav Dam	Advance for Property	-	-	-	-	-	-	-	-	-	-	-	-	57.77	-	57.77
Nishchal Bhatt	Consultancy Services	-	-	-	-	-	-	-	-	-	-	-	-	0.71	0.16	0.55

Joognu Technologies Pvt. Ltd.	Loan & Advances	11.24	6.14	(5.10)	0.93	0.60	(5.43)	-	-	-	-	-	-	-	-	-
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#### ANNEXURE 29 SUMMARY OF ACCOUNTING RATIOS

Ratios	For the year ended 31st March 2014	For the year ended 31st March 2015	For the year ended 31st March 2016	For the period ended 31st March 2017	For the period ended 5th September 2017
Restated PAT as per P& L Account	(40.82)	(79.16)	(110.77)	13.93	2.56
Weighted Average Number of Equity Shares at the end of the Year/Period (Pre issue)	8,579	10,000	10,852	12,107	18,509
Weighted Average Number of Equity Shares at the end of the Year/Period (Post Bonus issue)	4,935,449	4,936,870	4,937,722	4,938,977	4,945,379
No. of equity shares at the end of the year/period (Pre issue)	10,000	10,000	12,107	12,107	164,229
No. of equity shares at the end of the year/period (Post Bonus issue)	4,936,870	4,936,870	4,938,977	4,938,977	5,091,099
Net Worth	(39.82)	(118.98)	33.62	47.55	542.10
<b>Earnings Per Share</b>					
Basic & Diluted Per Bonus	(475.74)	(791.64)	(1,020.74)	115.05	13.81
Adjusted Basic & Diluted EPS after Bonus	(0.83)	(1.60)	(2.24)	0.28	0.05
<b>Return on Net Worth (%)</b>	(102.51)	(66.54)	(329.44)	29.29	0.47
<b>Net Asset Value Per Share (Rs) (Pre Bonus issue)</b>	(398.15)	(1,189.79)	277.73	392.77	330.09
<b>Net Asset Value Per Share (Rs) (Post Bonus issue)</b>	(0.81)	(2.41)	0.68	0.96	10.65
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00	10.00	10.00

Footnote :

1. Ratios have been calculated as below

Basic and Diluted Earnings Per Share (EPS) (Rs.)	Restated Profit after Tax available to equity Shareholders
	Weighted Average Number of Equity Shares at the end of the year / period

Return on Net Worth (%)	Restated Profit after Tax available to equity Shareholders
	Restated Net Worth of Equity Shareholders

Net Asset Value per equity share (Rs.)	Restated Net Worth of Equity Shareholders
	Number of Equity Shares outstanding at the end of the year / period

#### Annexure 30 Capitalisation Statement as at 5th September, 2017

Particulars	Pre Issue	Post Issue
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Borrowings		
Short term debt (A)	27.84	27.84
Long Term Debt (B)	-	-
<b>Total debts (C)</b>	<b>27.84</b>	<b>27.84</b>
Shareholders' funds		
Equity share capital	509.11	709.11
Reserve and surplus - as restated	32.99	432.99
Total shareholders' funds	542.10	1142.10
Long term debt / shareholders funds	-	-
<b>Total debt / shareholders funds</b>	<b>0.05</b>	<b>0.02</b>

**Notes:**

1. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at September 5, 2017.
2. Long term Debts includes current maturities of long term debt.
3. For post issue Capitalization calculation has been done considering the allotment of shares in the IPO.

Accordingly the figures of post issue of equity share capital and reserves & surplus has been adjusted. The figure of short term/long term debt as appearing on September 5, 2017 has only been considered for calculation purpose.

**ANNEXURE 31 STATEMENT OF TAX SHELTERS**

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2015	For the year ended 31st March 2016	For the period ended 31st March 2017	For the period ended 5th September 2017
Profit before tax as per books (A)	(40.82)	(79.16)	(110.77)	13.93	2.56
Tax Rate (%)	30.90%	30.90%	30.90%	29.87%	25.75%
Tax at notional rate on profits	-	-	-	4.16	0.66
<b>Adjustments :</b>					
<b>Permanent Differences(B)</b>					
Expenses disallowed/Income disallowed under Income Tax Act, 1961					
Income Tax Refund	-	-	-	0.09	-
Interest On TDS Payment	-	0.04	0.98	-	-
Expenses disallowed Due to non Deduction of TDS	2.16	0.77	8.67	3.50	-
<b>Total Permanent Differences(B)</b>	2.16	0.81	9.65	3.58	-
<b>Income considered separately (C)</b>	-	0.02	0.01	-	-
<b>Total Income considered separately (C)</b>	-	<b>0.02</b>	<b>0.01</b>	-	-
<b>Timing Differences (D)</b>					

Difference between tax depreciation and book depreciation	(1.10)	4.45	2.31	1.94	0.31
Depreciation as per P&L A/c	2.78	10.06	8.35	6.99	2.25
Depreciation as per Income tax	3.88	5.61	6.04	5.05	1.94
Difference due to any other items of addition u/s 28 to 44DA	-	-	-	-	-
<b>Total Timing Differences (D)</b>	<b>(1.10)</b>	<b>4.45</b>	<b>2.31</b>	<b>1.94</b>	<b>0.31</b>
<b>Net Adjustments E = (B+D)</b>	<b>1.06</b>	<b>5.27</b>	<b>11.96</b>	<b>5.52</b>	<b>0.31</b>
<b>Tax expense / (saving) thereon</b>	0.33	1.63	3.70	1.65	0.08
Other Sources income	-	0.02	0.01	-	-
<b>Income from Other Sources (G)</b>	-	0.02	0.01	-	-
<b>Short Term Capital Gain (F)</b>	-	-	-	-	-
<b>Income from Other Sources (G)</b>	-	-	-	-	-
<b>Loss of P.Y. Brought Forward &amp; Adjusted(H)</b>	-	41.88	126.31	249.04	240.63
Taxable Income/(Loss) (A-E+F+G)	<b>41.88</b>	<b>126.31</b>	<b>249.04</b>	<b>240.63</b>	<b>238.38</b>
<b>Taxable Income/(Loss) as per Books</b>	40.82	79.16	110.77	13.93	2.56
<b>Additional as per MAT Adjustments</b>	-	-	-	-	-
<b>Deductions as per MAT Adjustments</b>	-	-	-	-	-
<b>Brought Forward Adjustment</b>	-	-	-	21.19	6.99
<b>Taxable Income As Per MAT</b>	-	-	-	(7.26)	(4.43)
<b>Tax as per MAT</b>	-	-	-	-	-
<b>Basic Tax</b>	-	-	-	-	-
<b>Surcharge</b>	-	-	-	-	-
<b>Edu cess</b>	-	-	-	-	-
<b>SHEC</b>	-	-	-	-	-
<b>Tax as per Normal Calculation</b>	-	-	-	-	-
<b>Basic Tax</b>	-	-	-	-	-
<b>Surcharge</b>	-	-	-	-	-
<b>Edu cess</b>	-	-	-	-	-
<b>SHEC</b>	-	-	-	-	-
<b>Income Tax as returned/computed</b>	-	-	-	-	-
Tax paid as per normal or MAT	-	-	-	-	-

## **MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS**

You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Draft Prospectus. You should also read the section entitled “Risk Factors” beginning on page no. 8, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and, is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year (“Fiscal Year”) are to the twelve-month period ended March 31 of that year.

### **Business Overview**

Our Company is engaged in providing solution in healthcare sector as pediatric clinic chain provider. We offer exclusive services which can benefit the child for their healthcare needs. Kids Clinic (TKC) is a venture of "Kids Medical Systems Private Ltd" started in June, 2013 and our company has launched our first “State of the Art” pediatric clinic chain. We partner with doctors at a clinic /premise level. We offer services which can assist and help doctors to manage, educate and develop their clinic, its infrastructure, its people and most importantly also provide guidance in services to parents of the child. Our overall output is purely focused on delivering great health services by using technological platforms to connect the audience with the doctors and vice versa.

We also assist in all services like timely reminders on vaccinations and other services are offered to parents proactively as we understand a proper communication, and better service standards offered at the time of distress where immediate child healthcare services are required. Therefore giving the strong arms to the Doctors in tech-management area which helps them to do their tasks better resulting they can focus on their core competencies of sharing and solving concerns efficiently, while we manage and better the overall 360 degree communication and service platforms for them. We provide the service Management/Light Asset Model which includes the clinic Management Software, clinic reports, Training, recruitment of staff, Online and Offline engagement with customers. In addition we also provide Glow sign Boards, Paraphernalia, Standees and also arrange for co-branding marketing efforts, as and when required in Pre-School, Schools, mailers, SMS, whatsApp or other electronic or through other devices or modes. We are also engaged in providing hospital consultancy to our Doctor Partners.

We started from 1(one) clinic in Dombvilli (Thane District- Maharashtra) and reached to 15 (Fifteen) clinic management partnerships till date. We believe that our business model has evolved and become significantly stronger with each passing year. We intend to be a part of positive change in the child health care sector and to be a clinic partnership company, offering, managing and serving the Doctors-Pediatric and Patients.

Our company is having one of the clinics in Harinivas at Mumbai, taken on leased basis and being run on owned-revenue sharing model, where we hire the premises on a lease basis generally for a period of 2-3 years. We tie up with Doctors and issue a letter of Intent to Doctors to visit our clinic for 2-4 hours in a day and render their service against which we would be sharing 30% to 50% of Net profit with Doctor partners. In Owned-Revenue sharing Model, we make the investment in fixed assets like (furniture, computer, printer, Air condition, Refrigerator, Glow sign Boards, Paraphernalia, Standees etc) and other expenditure towards restructuring the premises, paints, flooring, POP's (Plaster of paris work) as per our uniform specific design etc. In revenue sharing business model we execute agreement with Doctor Partners to provide the following offerings to the Doctor Partner like Recruitment, training, and monitoring of existing and future staff, Additional Doctors for locums and additional shifts if and when required would be provided, Provide all platform for online Billing and online data management and medical records through our website, Banking including cash management; and business report, Business analytics and reports by our Team etc

### **Significant developments subsequent to the last financial year:**

After the date of last financial year i.e. March 31, 2017, the Directors of our Company confirm that, there have not been any significant material developments except allotment of 12,121 equity shares on conversion of Loan,

allotment of 1,40,001 Equity shares on Preferential Basis to the existing equity shareholders as well as the investor and issue of 49,26,870 equity shares as bonus shares .

### Discussion on Results of Operation:

The following discussion on results of operations should be read in conjunction with the Audited Financial Results of our Company for the years ended March 31, 2015, 2016, 2017 and for a period up to September 05, 2017.

### Key factors affecting the results of operation:

Our Company's future results of operations could be affected potentially by the following factors:

- Political Stability of the Country.
- World Economy.
- Government policies for the Health and Medical Sector.
- Investment Flow in the country from the other countries.
- Competition from existing players as well as from the new entrants.
- Company's ability to successfully implement our growth strategy
- Loss due to delay in execution of projects in time.

### OUR SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies please refer Significant Accounting Policies, "Annexure 4" beginning under Chapter titled "Financial Information of our Company" beginning on page no. 113 of the Draft Prospectus.

### RESULTS OF OUR OPERATION

For the period from April 1, 2017 to September 5, 2017

(₹

Lacs)

Particulars	5 <sup>th</sup> September, 2017	% Change
<b>Income from continuing operations</b>		
Revenue from operations		
Sale of Services	32.26	100
Other Income	0.00	0
Total Revenue	32.26	100
Expenses		0
Cost of Consumables	4.93	15.28
Employee benefits expense	12.43	38.53
Finance Costs	0.23	0.71
Other expenses	9.86	30.56
Depreciation and amortisation expenses	2.25	6.97
Total Expenses	29.70	92.06
<b>EBIDTA</b>	<b>2.56</b>	<b>7.94</b>
<b>Profit Before Tax</b>	<b>2.56</b>	<b>7.94</b>
<b>Taxation</b>	<b>0.00</b>	<b>0.00</b>
<b>Profit After Tax</b>	<b>2.56</b>	<b>7.94</b>

### Total Revenue



The total revenue operation for the period ended September 5, 2017 is ₹ 32.26 Lacs which includes sale of services and other income. Current year's total revenue from our operations has been considerably reduced on account of change in Business Model w.e.f. April 2017. Upto march, 2017 we are considering the gross revenue which includes the Consultancy charges to be paid to Doctors. From April onwards we have started booking our share/fees as revenue .

### **Expenditure:**

#### **Consumable Purchased**

The Total value of Consumable purchased was ₹ 4.93 Lacs for the period ended on September 05,2017 which is 15.28% of the total revenue.

#### **Employee Benefit Expenses**

Employee Benefit expenses was ₹ 12.43 Lacs for the period ended on September 05,2017. The Employee Benefit expenses were 38.53% of income from operations. Current year expenses has been reduced substantially on account of closure of 1 self run clinic and transfer of 1 self run clinic to the Doctors in the new model i.e. fee based model..On account of change in business model and closure of one self run clinic the employees expenditure have been reduced substantially

#### **Other Expenses**

Other Expenses were ₹ 9.86 Lacs for the period ended on September 05,2017. The Other Expenses were 30.56 % of income from operations. The Other expenses includes Rent expenses on the property taken on rent, Travelling expenses, Telephone and Fax expenses, Miscellaneous Expenses etc.

#### **Interest & Financial Charges**

The Company has not borrowed the funds for running the business of the company. The Interest & Financial Charges for the period ended on September 05, 2017 was ₹ 0.23 Lacs, which is 0.71 % of the total revenue..

#### **Depreciation**

Depreciation on fixed assets for the period ended on September 05, 2017 was 6.97 % of income from operations. The total depreciation for the period ended on September 05, 2017 was ₹ 2.25 Lacs.

#### **Profit after Tax and restatement adjustment (PAT)**

PAT for the period ended on September 05, 2017 stood at ₹ 2.56 Lacs. During this period, our Company recorded PAT margin of 7.94 %.

#### **Results of Operations for the FY 2017, 2016 and 2015**

(₹ Lacs)

Particulars	For the year ended on		
	31.03.2017	31.03.2016	31.03.2015
<b>Income from continuing operations</b>			
Revenue from operations			
Operations	224.57	95.64	59.29
Total Revenue	224.57	95.64	59.29
<b>% of growth</b>	134.81	61.31	
Other Income	1.13	0.35	0.03
<b>% of growth</b>	222.86	1,066.67	

<b>Total Revenue</b>	<b>225.70</b>	<b>95.99</b>	<b>59.32</b>
<b>% of growth</b>	135.13	61.82	
<b>Expenses</b>			
Purchases-Consumable	21.62	18.7	16.61
<b>% Increase/(Decrease)</b>	15.61	12.58	
Employee benefits expense	55.34	74.25	72.94
<b>% Increase/(Decrease)</b>	(25.47)	1.80	
Finance Costs	0.37	1.55	0.13
<b>% Increase/(Decrease)</b>	(76.13)	1,092.31	
Other expenses	127.45	103.91	38.75
<b>% Increase/(Decrease)</b>	22.65	168.15	
Depreciation and amortisation expenses	6.99	8.35	10.06
<b>% Increase/(Decrease)</b>	(16.29)	(17.00)	
<b>Total Expenses</b>	<b>211.77</b>	<b>206.76</b>	<b>138.49</b>
<b>% to total revenue</b>	93.83	215.40	91.82
<b>EBIDT</b>	<b>13.93</b>	<b>(110.77)</b>	<b>(79.16)</b>
<b>% to total revenue</b>	<b>6.17</b>	<b>(115.40)</b>	<b>(133.45)</b>
<b>Restated profit before tax from continuing operations</b>	13.93	(110.77)	(79.16)
<b>Total tax expense</b>			
<b>Restated profit after tax from continuing operations (A)</b>	<b>13.93</b>	<b>(110.77)</b>	<b>(79.16)</b>
<b>% to total revenue</b>	<b>6.17</b>	<b>(115.40)</b>	
<b>Restated profit for the year (A + B)</b>	<b>13.93</b>	<b>(110.77)</b>	<b>(79.16)</b>
<b>% Increase/(Decrease)</b>	(112.58)	39.93	

#### **COMPARISON OF FY 2017 WITH FY 2016:**

##### **Total Income**

The Total Income from operations for the FY 2017 was ₹ 225.70 Lacs as compared to ₹ 95.99 Lacs during the FY 2016 showing an increase of 135.13 %. The major source of income is by providing solution in healthcare sector as pediatric clinic chain provider.

##### **Consumable Purchased**

The total purchase of the Consumable was increased from ₹ 18.70 lacs in FY 2016 to ₹ 21.62 lacs in the FY 2017 showing increase of 15.61 % .The Increase in the purchase of consumable is was not in line with the increase of sale of services by 135.13% in FY 2017 as compared to FY 2016. In terms of percentage of total revenue the cost of Consumable purchased was 9.63 % in FY 2017 as compared to 19.55 % in FY 2016. Winter is a pick seasons for Vaccination to the children. But due of Demonetization many parents deferring the Vaccination to their children. Over and above this there was shortage of certain vaccine in the market such as H<sub>1</sub>N<sub>1</sub>, Swine flu etc.

##### **Employee Benefit Expenses**

Employee Benefit expenses decreased from ₹74.25 Lacs for FY 2016 to ₹ 55.34 Lacs for FY 2017 showing decrease of 25.47%. In spite of increase of 134.81% in the revenue from operations, the decrease in employee cost in FY 2017 on account of retrenchment of 5 employees in FY 2017.

##### **Other Expenses**

Other Expenses increased from ₹ 103.91 Lacs for FY 2016 to ₹ 127.45 Lacs for FY 2017 showing increase of 22.65%. The increase is on account of increase in the revenue from the operations by 134.81% over the FY 2016 , substantial increase in Consultancy charges, Electricity and power expenses, Clinic expenses etc. in FY 2017 compared to FY 2016.

### **Depreciation**

The total depreciation during FY 2017 was ₹ 6.99 Lacs and during FY 2016 it was ₹ 8.35 Lacs. There was decrease in depreciation by 16.29 % in FY 2017 as compared to FY 2016 on account of reduction in book value of Fixed Assets in FY 2017.

### **Profit before Interest, Depreciation and Taxation (EBDIT)**

The EBDIT for the FY 2017 was 6.71 % of the total revenue which was (110.77) % of total revenue for the FY 2016. The reason for increase of EBDIT is increased in revenue by 135.13 % and reduction of expense to the total revenue from 215.40% in FY2016 to 93.83% in FY 2017 and employee benefits expenses by 25.47 % in FY 2017 compared to FY2016.

### **Profit after Tax**

PAT increased from ₹ (110.77) Lacs for the FY 2016 to ₹ 13.93 Lacs in FY 2017 showing an increase of 112.58 %. This increase was due to increase of total revenue by 135.13 % in FY 2017 and reduction of expense to the total revenue from 215.40% in FY2016 to 93.83% in FY 2017 and employee benefits expenses by 25.47 % in FY 2017 compared to FY2016.

## **COMPARISON OF FY 2016 WITH FY 2015**

### **Total Income**

The Total Income from operations for the FY 2016 was ₹ 95.99 Lacs as compared to ₹ 59.32 Lacs during the FY 2015 showing an increase of 61.82 %. The major source of income is by providing solution in healthcare sector as pediatric clinic chain provider.

### **Expenditure:**

#### **Consumable Purchased**

The total purchase of the services was increased from ₹ 16.61 lacs in FY 2015 to ₹ 18.70 lacs in the FY 2016 showing increase of 12.58 % .The Increase in the purchase of consumable is due to increase of revenue operations by 61.31 % in FY 2016 as compared to FY 2015. In terms of percentage of total revenue the cost of consumable purchased was 19.48 % in FY 2016 as compared to 28.00 % in FY 2015.

#### **Employee Benefit Expenses**

Employee Benefit expenses increased from ₹72.94 Lacs for FY 2015 to ₹ 74.25 Lacs for FY 2016 showing increase of 1.80 %.The increase in employee cost in FY 2016 was on account of annual increment.

#### **Other Expenses**

Other Expenses increased from ₹ 38.75 Lacs for FY 2015 to ₹ 103.91 Lacs for FY 2016 showing increase of 168.15% on account of increase of total income by 61.82%. The increase is in repairs and maintenance expenses, Advertisement Expenses, Commission expenses in FY 2016 compared to FY 2015.

#### **Depreciation**

The total depreciation during FY 2016 was ₹ 8.35 Lacs and during FY 2015 it was ₹ 10.06 Lacs. There was decrease in depreciation by 17.00 % in FY 2016 as compared to FY 2015 on account of provision of depreciation as per the Companies Act 2013.

### **Profit Before Interest , Depreciation And Taxation(EBDIT)**

The EBDIT for the FY 2016 was (115.40) % of the total revenue which was (133.45)% of total revenue for the FY 2015. The reason for increase of EBDIT was on account of increase of revenue by 61.82 % in FY 2016 as compared to FY 2015.

### **Profit after Tax**

PAT increased from ₹ (79.16) Lacs for the FY 2015 to ₹ (110.77) lacs in FY 2016 showing an increase in loss by 39.93 %. This is due to increase in consultancy charges, rent expenses, clinic expenses, cost of consumables expenses, finance costs and other expenses etc.

### **Related Party Transactions**

For further information please refer “Annexure 28” beginning on page 137 under Chapter titled “Financial Information of our Company” beginning on page 113 of the Draft Prospectus.

### **Financial Market Risks**

We are exposed to financial market risks from changes in borrowing costs, interest rates and inflation.

### **Interest Rate Risk**

As on today we do not have any interest bearing borrowing from any Bank/Financial Institutions/persons. However, any rise in future borrowings may increase the risk.

### **Effect of Inflation**

We are affected by inflation as it has an impact on the operating cost, staff costs etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

### **FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS:**

#### **1. Unusual or infrequent events or transactions**

To our knowledge there have been no unusual or infrequent events or transactions that have taken place during the last three years.

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

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in ‘Factors Affecting our Results of Operations’ and the uncertainties described in the section entitled ‘Risk Factors’ beginning on page no. 8 of the Draft Prospectus. To our knowledge, except as we have described in the Draft Prospectus, there are no known factors which we expect to bring about significant economic changes.

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

Apart from the risks as disclosed under Section titled “Risk Factors” beginning on page no. 8 in the Draft Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**4. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.**

Our Company’s future costs and revenues will be determined by demand/supply situation, government policies

**5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.**

Increases in revenues are by and large linked to increases in volume of business.

**6. Total turnover of each major industry segment in which the issuer company operated.**

For details on the total turnover of the industry please refer to Chapter titled “Industry Overview” beginning on page no. 57 of the Draft Prospectus.

**7. Status of any publicly announced new products or business segment.**

Our Company has not announced any new product and segment.

**8. The extent to which business is seasonal.**

Our Company’s business is not seasonal. However the business of the company depend upon the Growth potential of the economy and growth of the country

**9. Any significant dependence on a single or few suppliers or customers.**

We derive most of our revenues from the 15 Hospitals/Doctors with whom we entered in to Management Partnership/ Franchisee agreements/Revenue sharing arrangement

**10. Competitive conditions.**

Competitive conditions are as described under the Chapters titled “Industry Overview” and “Business Overview” beginning on page no. 57 and 65, respectively of the Draft Prospectus.

## **SECTION VII – LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

*Except as described below, there are no outstanding litigations, suits, civil or criminal prosecutions, proceedings before any judicial, quasi-judicial, arbitral or administrative tribunals, including pending proceedings for violation of statutory regulations or alleging criminal or economic offences or tax liabilities or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (i) of Part I of Schedule XIII of the Companies Act ) against our Company, Promoter, Group Companies and Directors as of the date of this Draft Prospectus that would have a material adverse effect on our business. There are no defaults, non-payments or overdue of statutory liabilities, institutional/bank dues and dues payable to holders of debentures or fixed deposits and arrears of cumulative preference shares that would have a material adverse effect on our business.*

Further, Our Company has a policy for identification of Material Litigation in terms of the SEBI (ICDR) Regulations, 2009 as amended for disclosure of all pending litigation involving the Issuer, its directors, promoters and group companies, other than criminal proceedings, statutory or regulatory actions and taxation matters where the monetary amount of claim by or against the entity or person in any such pending matter(s) is in excess of 10% of the Profit after Tax and such pending cases are material from the perspective of the Issuer's business, operations, prospects or reputation.

Our Company has a policy for identification of Material Outstanding Dues to Creditors in terms of the SEBI (ICDR) Regulations, 2009 as amended for creditors where outstanding due to any one of them exceeds 10% of consolidated trade payables as per the last audited financial statements of the Issuer.

#### **PART 1 – 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 Liability

**(a) Direct Tax:**

**1) Assessment Year 2015-16**

Our Company had received a notice dated August 17, 2017 under Section 142(1) of the Income Tax Act, 1961 from Assistant Commissioner Income Tax, Circle-2(1)(2), Ahmedabad for furnishing additional documents and information. The said information is required to be submitted on August 28, 2017. The notice further stated that in case of failure to submit the information penalty under Section 271(1) (b) may be imposed. The Company is yet to submit the required details.

**2) Assessment Year 2016-17**

Our Company had received a notice of Limited Scrutiny dated July 17, 2017 under Section 143(2) of the Income Tax Act, 1961 from Ward 3(3)(2), Ahmedabad for furnishing details whether the funds received in the form of share premium are from disclosed sources and have been correctly offered for tax. The said information is required to be submitted on August 01, 2017. The Company is yet to submit the required details.

### 3) TDS ( Asst year 2017-18)

The Company has received notice on August 16, 2017 under section 234E, for gross demand of Rs 4,30,404 pending for late filing on account of defaults identified on processing of Quarterly TDS returns.. The demands are still pending. The Company is yet to submit the required details. The time limit of 10 days was given to make suitable rectification on account of error made in filing of quarterly statements and file correct statement on the TRACES and submit the screenshot from TRACES.

#### ii. Indirect Tax

NIL

#### 4) Other Pending Litigation

#### **Stamp Duty:**

Our Company had submitted various papers on May 04, 2016 of payment of consolidated stamp duty for allotment of 2,106 Equity Shares & request for issue of certificate of payment of consolidated stamp duty. In reference to our letter the Company had received a letter dated February 23, 2017 from The Collector and Additional Superintendent of Stamps, Gandhinagar for providing additional documents & information like MOA, Copy of Share Certificates, copy of e-Form SH-7 and PAS-3. Our company had provided all the documents & information except Share Certificates asked by the Stamp Duty Department vide letter dated March 07, 2017. During personal hearing on March 08, 2017 the Company had requested for extension of time of ten days for submission of the required details and stamp duty department extend it upto March 23, 2017 for submission of the original share certificates or copy of the said certificates. Our Company had received letter dated June 01, 2017 from collector & Additional Superintendent of Stamps, Gandhinagar for nonpayment of Stamp Duty on allotment of 10,000/- Equity shares and remain present on June 19, 2017 in order to decide stamp duty payable on issue of share certificates.

Order or Final Judgment from the Stamp Authority is still pending.

### **B. CASES FILED BY OUR COMPANY**

#### 1) Litigation involving Criminal Laws

NIL

#### 2) Litigation Involving Actions by Statutory/Regulatory Authorities

NI

#### 3) Litigation involving Tax Liability

NIL

#### 4) Other Pending Litigation

NIL

### **PART 2: LITIGATION RELATING TO OUR DIRECTORS AND PROMOTERS OF THE COMPANY**

#### **A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTERS**

#### 1) Litigation involving Criminal Laws

NIL

#### 2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

NIL

4) Other Pending Litigation

NIL

**B. LITIGATION FILED BY OUR DIRECTORS AND PROMOTERS**

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

NIL

4) Other Pending Litigation

NIL

**PART 3: LITIGATION RELATING TO OUR GROUP COMPANIES**

**A. LITIGATION AGAINST OUR GROUP COMPANIES - NA**

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

i. Direct Tax

NIL

ii. Indirect Tax

NIL

4) Other Pending Litigation

NIL

**B. LITIGATION FILED BY OUR GROUP COMPANIES - NA**



1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

i. Direct Tax

NIL

ii. Indirect Tax

NIL

4) Other Pending Litigation

NIL

## GOVERNMENT AND OTHER STATUTORY APPROVALS

In view of the approvals listed below, the Company can undertake this Issue and its current business activities and no further major approvals from any governmental or regulatory authority except proposed activities of Company or any other entity are required to undertake the Issue or continue its business activities.

Following statement sets out the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business.

### (A) Approvals for the Issue

1. The Board of Directors has, pursuant to a resolution passed at its meeting held on May 13, 2017, authorised the Issue subject to the approval of the shareholders of the Company under Section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to a resolution dated May 24, 2017 passed in the EGM under Section 62(1)(c) of the Companies Act, 2013 authorised the Issue.
3. Our Company has obtained in-principle listing approval from the SME platform of the BSE dated [•].
4. Our Company has entered into an agreement dated September 26, 2017 with the Central Depository Services (India) Limited (CDSL") and the Registrar and Transfer Agent, who in this case is Purva Sharegistry India Private Limited, for the dematerialization of its shares.
5. Similarly, our Company has also entered into an agreement dated September 25, 2017 with the National Securities Depository Limited ("NSDL") and the Registrar and Transfer Agent, who in this case is Purva Sharegistry India Private Limited, for the dematerialization of its shares.
6. Our Company's International Securities Identification Number ("ISIN") is INE457Y01014.

### (B) Registration under the Companies Act, 2013:

Sr. No.	Authority Granting Approval	Approval / Registration No.	Applicable Laws	Nature Of Approvals	Validity
1.	Registrar of Companies, Gujarat, Dadra and Nagar Haveli	U85110GJ2013PTC075191 on May 22, 2013.	Companies Act, 1956	Certificate Of Incorporation	Valid, till Cancelled
2.	Deputy Registrar of Companies, Central Registration Centre, Ministry of Corporate Affairs.	U85110GJ2013PLC075191	Companies Act, 2013	Fresh certificate of Incorporation consequent upon conversion into public limited company	Valid, till Cancelled

### (C) Registration under various Acts/Rules relating to Income Tax, Goods and Services Tax :

Sr. No.	Authority Granting Approval	Approval/ Registration No.	Applicable Laws	Nature Of Approvals	Validity
1.	Income Tax Department- (PAN)*	AAFCK1673F*	Income Tax Act, 1961	Permanent Account Number	Valid, till Cancelled
2.	Income Tax Department-(TAN)*	AHMK07106	Income Tax Act, 1961	Tax Deduction and collection Account Number	Valid, till Cancelled
3.	Gujarat Goods and	24AAFCK1673F1ZQ	Gujarat Goods	Goods and Services	Valid, till


Services Tax Act, 2017*		and Services Tax Act, 2017	Tax	Cancelled
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**(D) Registration and Approvals under Statutory and Regulatory Act(s):**


Sr. no.	Authority Granting Approval	Approval/ Registration No.	Applicable Laws	Nature Of Approvals	Validity
1.	Amdavad Municipal Corporation	PII/SHYM/2900004/0179006	Bombay Shops and Establishment Act, 1948.	Registration Certificates under Shops and Establishment Act, 1948.	Valid upto 31/12/2017
2.	Ahmedabad Municipal Corporation	PEC010626001857	Professions, business, Trades & Employment Act, 1976	Enrollment under Professions Tax	Valid, till Cancelled
3.	Trade Marks Registry*	Application No. 2944572, under class no.44	Trade Marks Act, 1999	Registration of Trademark 	Valid for 10 years w.e.f 16/04/2015
4.	Trade Marks Registry*	Application No.: 2779693 , under class no. 44	Trade Marks Act, 1999	Registration of Trademark 	Valid for 10 years w.e.f 24/07/2014

**\*Note: All the approvals/Licenses/Registration are in name of Kids medical System Private Limited, company is taking necessary steps to get the same in the name of Kids Medical system Limited.**

**(E) Applied But Yet to Receive**

Sr. No.	Authority Granting Approval	Application No.	Applicable Laws	Nature Of Approvals
1.	Trade Marks Registry*	Application No.: 2779692 , under class no. 36	Trade Marks Act, 1999	Registration of Trademark 

**(F) Approvals yet to Apply:**

Sr. No.	Authority Granting Approval	Applicable Laws	Nature of Approvals
1.	Trade Marks Registry	Trade Marks Act, 1999	Registration of Trademark-Logo 

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **AUTHORITY FOR THE ISSUE**

The Issue has been authorised by a resolution of the Board of Directors passed at their meeting held on May 13, 2017 subject to the approval of shareholders of our Company through a special resolution to be passed pursuant to Section 62(1) (c) vis-à-vis of the Companies Act, 2013.

The shareholders of our Company have authorised the Issue by a special resolution passed pursuant to Section 62(1) (c) vis-à-vis of the Companies Act, 2013 at the EGM of our Company held on May 24, 2017

We have received In- Principle Approval from BSE vide their letter dated [•] to use the name of BSE in the Prospectus for listing of our Equity Shares on SME Platform of BSE. BSE is the Designated Stock Exchange.

### **PROHIBITION BY SEBI**

Our Company, Promoters, Promoter Group and Directors have not been prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authorities. None of our Promoters, Directors was or also is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI.

Our Directors are not in any manner associated with the securities market and no action has been taken by the SEBI against any of the Directors or any entity with which our Directors are associated as promoters or directors.

### **PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY**

Our Company, our Directors, our Promoters and the relatives of the Promoters (as defined under the Companies Act, 2013) have not been identified as willful defaulters by RBI or any other government authorities.

### **ELIGIBILITY FOR THE ISSUE**

Our company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

Our company is eligible for the Issue in accordance with Regulation 106(M) (1) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue paid up capital does not exceed ₹ 10 crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME platform of BSE). Our Company also complies with eligibility conditions laid by SME Platform of BSE for listing of Equity Shares.

### **We confirm that:**

- a. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Draft Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required by SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- b. In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this issue has been hundred percent underwritten and that the Lead Manager to the Issue has underwritten at least 15% of the Total Issue Size. For further details pertaining to said underwriting please see “General Information – Underwriting” on page no. 31 of this Draft Prospectus.
- c. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be

unblocked forthwith. If such money is not unblocked within eight days from the date our Company becomes liable to unblock it, then our Company and every officer in default shall, on and from expiry of eight days, be liable to unblock such application money with interest as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable laws.

- d. In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we shall entered into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this issue. For further details of the arrangement of market making please see “General Information – Details of the Market Making Arrangements for this Issue” on page no. 32 of this Draft Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of Chapter XB of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub-regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

Our Company is also eligible for the Issue in accordance with eligibility norms for Listing on SME Exchange / Platform BSE circular dated April 19, 2012 and notice dated February 5, 2015, which states as follows:

**1. Net Tangible assets of at least ₹ 3 crore as per the latest audited financial results :**

Our Company has Net Tangible Assets of more than ₹ 3 crore as per the latest financial results. Our Net Tangible Assets for the period ended September 5,2017 is disclosed as under:

(₹ in lakh)	
Particulars	September 5,2017
Fixed Assets (Net)	374.43
Less: Intangible Assets	-
Current Assets, Loans & Advances and Non- Current Investments	207.46
Less: Current Liabilities & provisions	39.79
Long Term Borrowings	-
<b>Net Tangible Assets</b>	<b>542.10</b>

**2. Net worth (excluding revaluation reserves) of at least ₹ 3 crore as per the latest audited financial results**

Our Company satisfies the above criteria. Our Net Worth as per the latest audited financial statements is as under:

(₹ in lakh)	
Particulars	September 5, 2017
<b>Net Worth</b>	<b>542.10</b>

**3. 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. Extraordinary income will not be considered for the purpose of calculating distributable profits. Otherwise, the net worth shall be at least ₹ 5 crores.**

Our Company satisfies the above criteria of distributable profits in terms of section 123 of Companies Act, 2013.

(₹ in lakh)				
Particulars	September 5,2017	March 31, 2017	March 31, 2016	March 31,2015
<b>Net Profit as per P&amp;L Account</b>	<b>2.56</b>	<b>13.93</b>	<b>(110.77)</b>	<b>(79.16)</b>

**4. The post-issue paid up capital of the company shall be at least ₹ 3 crore**

The post paid up capital of the Company will be ₹ 7.09 crores.

**5. The company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the tripartite agreements with the Depositories and the Registrar and Share Transfer Agent.

The Company's shares bear an ISIN No: INE457Y01014

**6. Company shall mandatorily have a website.**

Our Company has a live and operational website: [www.thekidsclinic.in](http://www.thekidsclinic.in)

**7. Certificate from the applicant company stating the following:**

- a. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- b. There is no winding up petition against the company that has been admitted by the Court and accepted by a court or a Liquidator has not been appointed.
- c. There has been no change in the promoter/s of the Company in preceding one year from the date of filing application to BSE for listing on SME segment.

We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of the BSE.

**SEBI DISCLAIMER CLAUSE**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, GRETEX CORPORATE SERVICES PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER GRETEX CORPORATE SERVICES PRIVATE LIMITED HAS FURNISHED TO STOCK EXCHANGE/SEBI A DUE DILIGENCE CERTIFICATE DATED OCTOBER 10, 2017 WHICH READS AS FOLLOWS:**

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENTS DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT PROSPECTUS PERTAINING TO THE SAID ISSUE;**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
  - (A) **THE DRAFT PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
  - (B) **ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND VIS-À-VIS**
  - (C) **THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956 AND APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, 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 DRAFT PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS. NOTED FOR COMPLIANCE.**
5. **WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS.**
6. **WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT PROSPECTUS.**
7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE VIS-À-VIS AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE.  
- NOT APPLICABLE**

8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE OFFER DOCUMENT. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION. – *NOTED FOR COMPLIANCE*
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE- *NOT APPLICABLE. THE EQUITY SHARES ARE TO BE ISSUED IN DEMAT ONLY.*
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT PROSPECTUS:
  - (A) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
  - (B) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE ,ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY”
16. WE ENCLOSE STATEMENT ON ‘PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)’, AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR. As per Annexure "A"



**17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.**

**ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY LEAD MANAGER 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 OFFER DOCUMENT HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**
- 2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN OFFER DOCUMENT AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**
- 3. WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009.- NOTED FOR COMPLIANCE**
- 4. WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.**
- 5. WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUBREGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; THE CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE PROSPECTUS. – NOT APPLICABLE**
- 6. WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION [106P] AND [106V] OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, HAVE BEEN MADE.**

**THE FILING OF THE OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 34, 35 36 AND 38 (1) OF THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.**

**ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, AHMEDABAD, IN TERMS OF SECTION 26, 30, 32 AND SECTION 33 OF THE COMPANIES ACT.**

**CAUTION- DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER**

Our Company, the Directors, and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at instance of the above mentioned entities and anyone depending on any other source of information, including our website: [www.thekidsclinic.in](http://www.thekidsclinic.in) would be doing so at his or her own risk.

## Caution

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MOU entered into between the Lead Manager Gretex Corporate Services Private Limited and our Company dated October 3, 2017 the Underwriting Agreement dated October 3, 2017 entered among the Underwriters and Market Making Agreement dated [•] entered among the Market Maker, Lead Manager and our Company.

All information shall be made available by us and LM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centers etc.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company and our Promoter Group, affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company and our Promoter Group, affiliates or associates for which they have received, and may in future receive, compensation.

## Note:

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and Lead Manager 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 the Lead Manager 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.

## PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

For details regarding the price information and track record of the past issue handled by Gretex Corporate Services Private Limited, as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by SEBI, please refer Annexure "A" and the website of Lead Manager at [www.gretexcorporate.com](http://www.gretexcorporate.com)

## Annexure A

### FORMAT FOR DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY GRETEX CORPORATE SERVICES PRIVATE LIMITED

Sr No	Issuer Name	Issue Size(Cr)	Issue Price (Rs)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in Closing benchmark] 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] 180 <sup>th</sup> calendar days from listing
1)	Veeram Ornaments limited	5.12	45	05-01-2017	42.75	0.87, [5.19] <sup>1</sup>	-2.17,[11.52] <sup>2</sup>	-1.96,[16.56] <sup>3</sup>



2016-17 @	2	10.52	N.A	N.A	2	N.A	N.A	1	N.A	N.A	N.A	N.A	N.A
2017-18 #	5	42.68 29	N.A	N.A	N.A.	N.A	N.A.	2	N.A	N.A	N.A	N.A	N.A

*\$ Upto 29th September, 2017 Dhruv Wellness Limited, A&M febcon Limited and Sagar Diamonds Limited has not completed 30 days till date.*

**Note:**

Based on date of listing.

BSE SENSEX and CNX NIFTY has been considered as the benchmark index.

Prices on BSE/NSE are considered for all of the above calculations.

In case 30th /90th /180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.

In case 30th /90th /180th day, scrips are not traded then last trading price has been considered.

N.A. – Period not completed.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings managed by the Book Running Lead Manager. Hence, disclosures pertaining to recent 10 issues handled by Book Running Lead Manager are provided.

Track Record of past issues handled by Gretex Corporate Services Private Limited

For details regarding track record of the Book Running Lead Manager to the Offer as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Book Running Lead Manager at: [www.gretexgroup.com](http://www.gretexgroup.com)

**DISCLAIMER IN RESPECT OF JURISDICTION**

This issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII sub –account registered with SEBI which is a foreign corporate or go reign individual, permitted insurance companies and pension funds) and to FIIs and Eligible NRIs. This Prospectus does not, however, constitute 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 him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Ahmedabad 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, our Company’s Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company’s affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

**DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE**

BSE Limited (“BSE”) has given vide its letter dated [•], permission to this Company to use its name in this offer document as one of the stock exchanges on which this Company’s securities are proposed to be listed on SME platform. BSE has scrutinized this offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. BSE does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this company's securities will be listed or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its Promoters, its management or any scheme or project of this Company;

And it should not for any reason be deemed or construed that this offer document has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities in this Company may do so pursuant to independent inquiry, investigations and analysis and shall not have any claim against BSE whatsoever by reason of loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

#### **DISCLAIMER 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.

**Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.**

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **FILING OF OFFER DOCUMENT**

A copy of Draft Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the offer document in term of Regulation 106(O)(1). However, a copy of the Prospectus shall be filed with SEBI at Western Regional Office, Unit No. 002, Ground Floor, SAKAR I, Near Gandhigram Railway Station, Opp. Nehru Bridge, Ashram Road, Ahmedabad-380009, Gujarat, India.

A copy of the Prospectus, along with the documents required to be filed under Section 26 of the companies Act, 2013, will be delivered to the RoC situated at at RoC Bhavan, Opp Rupal Park Society, Behind Ankur Bus- Stop, Naranpura, Ahmedabad-380013, Gujarat, India.

#### **LISTING**

Our company has obtained In-Principle approval from BSE vide letter dated [•] to use name of BSE in this offer document for listing of equity shares on SME Platform of BSE.

In terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, there is requirement of obtaining In-principle approval from SME Platform of BSE. Application will be made to the SME Platform of BSE for obtaining

permission to deal in and for an official quotation of our Equity Shares. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the issue.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE, the Company shall forthwith unblock, without interest, all moneys received from the applicants in pursuance of the Prospectus. If such money is not unblocked within Eight days after our Company becomes liable to unblock it then our Company and every officer in default shall, on and from such expiry of Eight days, be liable to unblock such application money, with interest at the rate of 15% per annum on application money, as prescribed under 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 the BSE mentioned above are taken within Six Working Days from the Issue Closing Date.

## **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 vis-à-vis otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.”**

The liability prescribed under Section 447 of the Companies Act, 2013, includes imprisonment for a term of not less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

## **CONSENTS**

The written consents of Directors, Promoters, the Company Secretary, Compliance Officer, the Lead Manager to the Issue, Bankers to the Company, Registrar to the Issue, Auditors, Legal Advisor to the Issue, Chief Financial Officer, Underwriters, Market Makers and Banker to the Issue, to act in their respective capacities have been obtained and will be filed along with a copy of the Prospectus with the ROC, as required under Sections 26 and 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 and the SEBI (ICDR) Regulations, M/s. Doshi Maru & Associates, Statutory Auditors, of the Company have agreed to provide their written consent to the inclusion of their report, restated financial statements and statement of Tax Benefits dated, which may be available to the Company and its shareholders, included in this Draft

Prospectus in the form and context in which they appear therein and such consent and reports have not been withdrawn up to the time of delivery of the Prospectus with ROC.

## **EXPERT OPINION**

Except for (a) Peer Review Auditors' reports dated October 3, 2017 on the restated financial statements by M/s. Doshi Maru & Associates, Chartered Accountants (b) Statement of Tax Benefits dated September 14, 2017 by M/s. Doshi Maru & Associates, Chartered Accountants; we have not obtained any other expert opinions.

## PUBLIC ISSUE EXPENSES

The Management estimates an expense of Rs. 60.00 lacs towards issue expense. The Issue related expenses include, among others, lead management, market making, underwriting, SCSB's commission/fees, selling commissions, printing, distribution and stationery expenses, advertising and marketing expenses, and other expenses including registrar, depository, listing and legal fees. All expenses with respect to the Issue will be borne by the Company. The estimated Issue expenses are as follows:

(Rs. In Lakhs)

Sr. No.	Particulars	Amount
1.	Payment to Merchant Banker including fees and reimbursements of Market Making Fees, selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Registrars, Bankers etc and other out of pocket expenses.	42.00
2.	Printing & Stationery and Postage Expenses	3.00
3.	Marketing and Advertisement Expenses	5.00
4.	Regulatory fees and other expenses	7.00
5.	Other Miscellaneous expenses	3.00
	<b>Total</b>	<b>60.00</b>

## DETAIL OF FEES PAYABLE

### Fees Payable To Lead Manager To The Issue

The total fees payable to the Lead Manager (underwriting Commission and Selling Commission and reimbursement of their out-of pocket expenses) will be as per the Engagement Letter, a copy of which is available for inspection at the Registered Office of our Company.

### Fees Payable to the Registrar To The Issue

The fees payable to the Registrar to the Issue, 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 Issue dated October 4, 2017

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post.

### Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor, Market maker and Advertiser, etc. will be as per the terms of their respective engagement letters.

## UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

We have not made any previous public issues. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for, or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

## COMMISSION PAYABLE TO SCSBS

The brokerage and selling commission payable to SCSBs for the ASBA Application Forms procured by them would be at par as payable to brokers for the Application forms procured by them. However in case, where ASBA Application Form are being procured by Syndicate Members / sub syndicate, then selling commission would be

payable to Syndicate Members / sub syndicate and for processing of such ASBA Application Form, SCSBs would be given a prescribe fee of ₹ 10 per ASBA Application Form processed by them.

#### **PREVIOUS PUBLIC OR RIGHTS ISSUE**

Company has not made any Public or Right issue since its incorporation.

#### **PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH**

We have issued shares otherwise than cash as per the details given below:

<b>Sr. No.</b>	<b>Date of Allotment/ Date of fully paid up</b>	<b>No. of Equity Shares allotted</b>	<b>Face Value (Rs.)</b>	<b>Issue Price (Rs.)</b>	<b>Consideration</b>	<b>Nature of Issue</b>
1	August 17, 2017	12,121	10	330	Conversion of Loan	Further Issue of Shares
2	September 05, 2017	49,26,870	10	Bonus Issue	-	Bonus Shares issued in the ratio of 30:1.

#### **CAPITAL ISSUE DURING THE LAST THREE YEARS**

Kids Medical Systems Limited and its Group Companies have not made any capital issue during the last three years.

#### **LISTED VENTURES OF PROMOTERS**

There are no listed ventures of our Company as on date of filing of this Draft Prospectus.

#### **PROMISE VIS-À-VIS PERFORMANCE**

Since neither our Company nor our Promoter Group Companies have made any previous rights or public issues during last 10 years, Promise vis-à-vis Performance is not applicable.

#### **OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS**

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Draft Prospectus.

#### **STOCK MARKET DATA FOR OUR EQUITY SHARES**

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

#### **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The agreement between the Registrar to the Issue and our Company provides for the retention of records with the Registrar to the Issue for a period of at least three years from the last date of dispatch of the letters of Allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Offer may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and the bank branch or collection center where the application was submitted.



All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities), as the case may be, where the Bid cum Application Form was submitted by the ASBA Bidder, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Bid cum Application Form was submitted by the ASBA Bidder.

#### **Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB (for redressal of routine investor grievances shall be 15 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted an Stakeholders Relationship Committee of the Board vide resolution passed on September 08, 2017 comprising of Mr. Nihar Pankaj Parekh, Mr. Nishchal Bhatt Vinaykant and Mr. Anirvan Amitava Dam as members. For further details, please refer the chapter titled "Our Management" on page no. 97 of Draft Prospectus.

Our Company has also appointed Ms. Falguni Dhrumil Shah as the Company Secretary and Compliance Officer of our company, for this Issue and she may be contacted in case of any pre-issue or post-issue related problems at the following address:

Kids Medical Systems Limited  
F-806, Titanium City Center, Near Sachin Tower, Anand Nagar Road,  
Satellite, Ahmedabad- 380015  
**Email:** pallavi.dam@thekidsclinic.in  
**Website:** www.thekidsclinic.in  
**Contact Person:** Ms. Falguni Dhrumil Shah

#### **CHANGES IN AUDITORS DURING THE LAST THREE YEARS**

M/s. Doshi Maru & Associates, Chartered Accountants, has been appointed as statutory for the year 2016-17 in place of M/s. Samir M. Shah and Associates, Chartered Accountants.

#### **CAPITALIZATION OF RESERVES OR PROFITS DURING LAST FIVE (5) YEARS:**

Our Company has not capitalized its reserves or profits during last five (5) years except the following:

<b>Sr. No.</b>	<b>Date of Allotment/ Date of fully paid up</b>	<b>No. of Equity Shares allotted</b>	<b>Face Value (Rs.)</b>	<b>Issue Price (Rs.)</b>	<b>Consideration</b>	<b>Nature of Issue</b>
1	September 05, 2017	49,26,870	10	Bonus Issue	Otherwise than Cash	Bonus Shares issued in the ratio of 30:1.

#### **REVALUATION OF ASSETS DURING THE LAST FIVE (5) YEARS**

Our Company has not revalued its assets during the last five (5) years.

## **SECTION VIII - ISSUE RELATED INFORMATION**

### **TERMS OF THE ISSUE**

The Equity Shares being issued 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 Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November, 10th 2015, all the applicants have to compulsorily apply through the ASBA Process.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act 2013, our Memorandum and Articles of Association 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 see the section titled "Main Provisions of the Articles of Association of our Company" beginning on page no. 195 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 approved by 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 dividend, if declared, to our Shareholders as per the provisions of the Companies Act and our Articles of Association.

#### **Face Value and Issue Price**

The face value of the Equity Shares is ₹ 10 each and the Issue Price is ₹ 30 per Equity Share.

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled "Basis for Issue Price" beginning on page no. 53 of the Draft Prospectus. At any given point of time there shall be only one denomination for the Equity Shares.

#### **Compliance with SEBI ICDR Regulations**

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

#### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

Right to receive dividend, if declared;

Right to receive Annual Reports and notices to members;

Right to attend general meetings and exercise voting rights, unless prohibited by law;  
Right to vote on a poll either in person or by proxy;  
Right to receive offer for rights shares and be allotted bonus shares, if announced;  
Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;  
Right of free transferability subject to applicable law, including any RBI rules and regulations; and such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations, and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled “Main Provisions of Articles of Association” beginning on page no. 195 of the Draft Prospectus.

### **Minimum Application Value; Market Lot and Trading Lot**

In terms of Section 29 of the Companies Act 2013, the Equity Shares shall be Allotted only in dematerialised form. As per the existing SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form for all investors.

The trading of the Equity Shares will happen in the minimum contract size of 4,000 Equity Shares and the same may be modified by BSE SME Exchange 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 4,000 Equity Share subject to a minimum allotment of 4,000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of 4,000 Equity Share subject to a minimum allotment of 4,000 Equity Shares to the successful applicants.

### **Minimum Number of Allottees**

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by the SCSBs shall be unblocked within 6 Working days of closure of issue.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Ahmedabad.

### **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:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

#### **Period of Operation of Subscription List of Public Issue**

ISSUE OPENS ON        [•]  
ISSUE CLOSES ON     [•]

#### **Minimum Subscription**

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

If our Company does not receive the 100% subscription of the offer through the Offer Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith 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 as prescribed under Section 40 of the Companies Act, 2013.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 5 working days of closure of issue.

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

#### **Arrangements for Disposal of Odd Lots**

The trading of the equity shares will happen in the minimum contract size of 4,000 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the BSE SME Platform.

#### **Application by Eligible NRIs, FIIs registered with SEBI, VCFs registered with SEBI and QFIs**

It is to be understood that there is no reservation for Eligible NRIs or FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

#### **As per the extant policy of the Government of India, OCBs cannot participate in this Issue.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital

investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for lock-in of the pre-Issue Equity Shares and Promoters' minimum contribution in the Issue as detailed in the chapter "Capital Structure" beginning on page no. 34 of the Draft Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled "Main Provisions of the Articles of Association" beginning on page no. 195 of the Draft Prospectus.

#### **Option to receive Equity Shares in Dematerialized Form**

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. Applicants will not have the option of getting Allotment of the Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

#### **Migration to Main Board**

Our Company may migrate to the main board of BSE Main Board from the BSE SME Platform 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 promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

**OR**

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 promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

#### **Market Making**

The shares offered through this issue are proposed to be listed on the BSE SME Platform, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the BSE SME Platform for a minimum period of three years from the date of listing of shares offered through this Draft Prospectus. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please see "General Information – Details of the Market Making Arrangements for this Issue" beginning on page no. 32 of the Draft Prospectus.

#### **New Financial Instruments**

The Issuer Company is not issuing any new financial instruments through this Issue.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(1) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue paid up capital does not exceed ₹ 10 crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME platform of BSE). For further details regarding the salient features and terms of such an issue please refer chapter titled "Terms of the Issue" and "Issue Procedure" on page 168 and 174 respectively of this Draft Prospectus.

Public issue of 20,00,000 equity shares of face value of ₹ 10 each for cash at a price of ₹ 30 per equity share including a share premium of ₹ 20 per equity share (the "issue price") aggregating to ₹ 600.00 lacs ("the issue") by our company.

Particulars	Net Issue to Public	Market Maker reservation portion
Number of Equity Shares*	18,96,000 Equity Shares	1,04,000 Equity Shares
Percentage of Issue Size available for allocation	94.80% of the Issue Size 28.20% of the Post Issue Paid up Capital	5.20% of the Issue Size 1.47% of the Post Issue Paid up Capital
Basis of Allotment/Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of 4,000 Equity Shares and Further allotment in multiples of 4,000 Equity Shares each.  For further details please refer to the section titled "Issue Procedure–Basis of Allotment" on page no. 191 of this Draft Prospectus.	Firm Allotment
Mode of Application	All the Applicants shall make the Application (Online or Physical) through ASBA Process Only.	Through ASBA mode Only.
Minimum Application Size	For QIB and NII:  Such number of Equity Shares in multiples of 4,000 Equity Shares such that the Application Value exceeds ₹ 2,00,000  For Retail Individuals: 4,000 Equity Shares	1,04,000 Equity Shares
Maximum Bid	For QIB and NII:  Such number of Equity Shares in multiples of 4,000 Equity Shares such that the Application Size does not exceed 18,96,000 Equity Shares subject to adhere under the relevant laws and regulations as applicable.  For Retail Individuals:  4,000 Equity Shares so that the Application Value does not exceed ₹ 2,00,000	1,04,000 Equity Shares
Mode of Allotment	Compulsorily in dematerialized mode	Compulsorily in dematerialized mode
Trading Lot	4,000 Equity Shares	4,000 Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Terms of payment	Entire Application Amount shall be payable at the time of submission of Application Form.	

\* 50 % of the shares offered in the Net Issue to Public portion are reserved for applications whose value is below ₹ 2,00,000 and the balance 50 % of the shares are available for applications whose value is above ₹ 2,00,000.

### **Withdrawal of the Issue**

In accordance with the SEBI ICDR Regulations, our Company, in consultation with Lead Manager, reserves the right not to proceed with this Issue at any time after the Issue Opening Date, but before our Board meeting for Allotment, without assigning reasons thereof. If our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-Issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification. In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Ahmedabad.

### **Issue Programme**

ISSUE OPENS ON	[•]
ISSUE CLOSES ON	[•]

Applications and any revisions to the same (except that on the Issue closing date) will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form. On the Issue Closing Date applications and any revisions to the same 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).

## ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issue prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2003) dated October 23, 2013 notified by SEBI ( the "General Information Documents" ) included below under section "- Part B - General Information Document", which highlights the key rules, procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI Regulations. The General Information Documents has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchange and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Lead Manager would not be able for any amendment, modification or change in applicable law, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

### **Fixed Price Issue Procedure**

The Issue is being made under Regulation 106 (M) (1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 through a Fixed Price Process.

Applicants are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, the Company would have a right to reject the Applications only on technical grounds.

**Investors should note that Equity Shares will be allotted to successful Applicants in dematerialize form only. The Equity Shares on Allotment shall be traded only in the dematerialize segment of the Stock Exchange, as mandated by SEBI.**

### **Availability of Prospectus and Application Forms**

The Memorandum 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, from the Registered Office of the Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of BSE limited i.e. [www.bseindia.com](http://www.bseindia.com). Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of 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 Applicants to the SCSB, the 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 Applicant. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted.



Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation basis	Blue

**In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process.**

### Submission and Acceptance of Application Forms

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries

- I. An SCSB, with whom the bank account to be blocked, is maintained
- II. A syndicate member (or sub-syndicate member)
- III. A stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
- IV. A depository participant ('DP') (Whose name is mentioned on the website of the stock exchange as eligible for this activity)
- V. A registrar to an issuer and share transfer agent ('RTA') (Whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may by blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For Applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Application are deemed to have authorised our Company to make the necessary changes in the prospectus, without prior or subsequent notice of such changes to the Applicants.

### Who can apply?

- a.) Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under

guardianship);

- b.) 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;
- c.) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d.) Mutual Funds registered with SEBI;
- e.) 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 Issue;
- f.) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g.) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- h.) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i.) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional applicant's category;
- j.) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k.) Foreign Venture Capital Investors registered with the SEBI;
- l.) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m.) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n.) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o.) Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p.) Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q.) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r.) Insurance funds set up and managed by army, navy or air force of the Union of India;
- s.) Multilateral and bilateral development financial institution;
- t.) Eligible QFIs;
- u.) Insurance funds set up and managed by army, navy or air force of the Union of India;
- v.) Insurance funds set up and managed by the Department of Posts, India;

w.) Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications not to be made by:**

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

**As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.**

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.

**Participation by associates/affiliates of Lead Manager**

The Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis.

**Option to Subscribe to the Issue**

1. Our Company shall allot the specified securities in dematerialised form only. Investors opting for allotment in dematerialised form may get the specified securities rematerialised subsequent to allotment.
2. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.
3. 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.

**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. In case of HUF's application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

**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.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

#### **Applications by Eligible NRIs/FII's on Repatriation Basis**

Application Forms have been made available for Eligible NRIs at the Company's Registered Office and at the office of Lead Manager to the Issue.

Eligible NRI applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment. The Eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians and should not use the form meant for the reserved category.

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI's subject to the terms and conditions stipulated therein. Companies are required to file declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRI's on repatriation basis.

Allotment of Equity Shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

The Company does not require approvals from FIPB or RBI for the Transfer of Equity Shares in the issue to eligible NRI's, FII's, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.

#### **As per the current regulations, the following restrictions are applicable for investments by FIIs:**

The issue of Equity Shares to a single FII should not exceed 10% of our post Issue Paid up Capital of the Company. In respect of an FII investing in Equity Shares of our Company on behalf of its sub accounts, the investment on behalf of each sub account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub account is a foreign corporate or an individual.

In accordance with the foreign investment limits, the aggregate FII holding in our Company cannot exceed 24% of our total issued capital. However, this limit can be increased to the permitted sectoral cap/statutory limit, as applicable to our Company after obtaining approval of its board of Directors followed by the special resolution to that effect by its shareholders in their General Meeting. As on the date of filing the Draft Prospectus, no such resolution has been recommended to the shareholders of the Company for adoption.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended, an FII may issue, deal or hold, off shore derivative instruments such as participatory notes, equity linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock

exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "Know Your Client" requirements. An FII shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.

In case of FII's in NRI/FII Portion, number of Equity Shares applied shall not exceed issue size.

#### **Application by SEBI registered Alternative Investment Fund (AIF), 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. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors:

Accordingly, 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 investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations.

#### **Applications by Limited Liability Partnerships**

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing which, the 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, the 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) Regulations, 2000, 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 10% of the respective fund in case of a life insurer or general insurer or reinsurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of ULIPS); and
- c) The industry sector in which the investee Company operates: the least of 10% of the insurer's total investment exposure to the industry sector (25% in case of ULIPS).

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in infrastructure and housing sectors i.e. 26th December, 2008, providing, among other things, that the exposure of an insurer to an infrastructure Company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub ceilings.

Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

#### **Application by Provident Funds / Pension Funds**

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 2,500 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, the 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, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 25 Crores (subject to applicable law) and pension funds with a minimum corpus of Rs. 25 Crores a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to applications by VCFs, FVCIs, FPIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any 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, the Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- c) With respect to applications made by provident funds with minimum corpus of Rs. 25 Crores (subject to applicable law) and pension funds with a minimum corpus of Rs. 25 Crores, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form . Failing this, the Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

The Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form , subject to such terms and conditions that the Company and the lead manager may deem fit.

The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / 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 Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

**The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the 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.**

#### **ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS**

**In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company 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 the 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.**

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 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 Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue 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 Issue 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 Issue Account. In case of withdrawal/failure of the Issue, 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 or Registered Brokers or Registered RTA's or DPs registered with SEBI. 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 circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the 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 authorized 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 Issue 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 Issue.

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 Issue and consequent transfer of the Application Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue 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 Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 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 Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

### **Electronic Registration of Applications**

1. The Designated Intermediary 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 Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary or (iv) Applications accepted and uploaded without blocking funds.
2. The Designated Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary and (iv) Applications accepted and uploaded without blocking funds. It shall be presumed that for Applications uploaded by the Designated Intermediary, the full Application Amount has been blocked.
3. In case of apparent data entry error either by the Designated Intermediary 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 Designated Intermediary will undertake modification of selected fields in the Application details already uploaded within before 1.00 p.m. of the next Working Day from the Issue Closing Date.
5. The Stock Exchanges will offer an electronic facility for registering Applications for the Issue. This facility will be available with the Designated Intermediary and their authorized agents during the Issue Period. The Designated Branches or the Agents of the Designated Intermediary 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 on a regular basis. On the Issue Closing Date, the Designated Intermediary shall upload the Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Lead Manager on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue 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 submitted by an Applicant, Designated Intermediary 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;
- Location of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
- Bank account number

In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic Application Form number which shall be system generated.

7. The Designated intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.

8. Such acknowledgement will be non-negotiable and by itself will not create any obligation of any kind.

9. In case of QIB Applicants, the Lead Manager has 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 of 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 Designated Intermediary will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the PAN, DP ID and Client ID uploaded in the online IPO system during the Issue 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, Client ID and PAN, then such Applications are liable to be rejected.

#### **Maximum and Minimum Application Size**

The applications in this Issue, being a fixed price issue, will be categorized into two;

##### **(a) For Retail Individual Applicants**

The Application must be for a minimum of 4,000 Equity Shares so as to ensure that the Application amount payable by the Applicant does not exceed Rs. 2,00,000.

**(b) For Other Applicants (Non Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 2,00,000 and in multiples of 4,000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non Institutional Portion.

**Applicants are advised to ensure that any single Application form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Prospectus.**

**Information for the Applicants:**

- a.) The Company will file the Prospectus with the ROC at least 3 (three) days before the Issue Opening Date.
- b.) The Lead Manager will circulate copies of the Prospectus along with the Application Form to potential investors.
- c.) Any investor, being eligible to invest in the Equity Shares offered, who would like to obtain the Prospectus and/ or the Application Form can obtain the same from the Company's Registered Office or from the Registered Office of the Lead Manager.
- d.) Applicants who are interested in subscribing to 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.

**Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013, the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one Gujarati newspaper with wide circulation.

**Signing of Underwriting Agreement**

The issue is 100% Underwritten. Our Company has entered into an Underwriting Agreement with the Lead Manager on October 3, 2017.

**Filing of the Prospectus with the RoC**

Our Company will file a copy of the Prospectus with the RoC in terms of Section 26 of Companies Act, 2013.

**Designated Date and Allotment of Equity Shares**

- a) **Designated Date:** On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

- b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated stock exchange, the Registrar shall upload on its website. On the basis of approved basis of allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue. Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Issue.
- c) The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
- d) **Issuer will that:** (i) the allotment of the equity shares; and (ii) initiate corporate action for credit of shares to the successful applicant's Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

#### **Interest and Refunds**

##### **Completion of Formalities for listing & Commencement of Trading**

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instruction for credit of Equity Shares to the beneficiary account with DPs, and dispatch the allotment Advise within 6 Working Days of the Issue Closing Date.

#### **Grounds for Refund**

##### **Non Receipt of Listing Permission**

An Issuer makes an Application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Draft Prospectus. The designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Prospectus.

In the event that the listing of the Equity Shares does not occur in the manner described in this Draft Prospectus, the Lead Manager and Registrar to the Issue shall intimate Public Issue bank/Bankers to the Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary bidders.

If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, and as disclosed in the Prospectus.

#### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per section 39 of the Companies Act, 2013, if the "Stated Minimum Amount" has not been subscribed and the sum payable on

application money has to be returned within such period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not received the subscription of 100% of the Issue through this offer document including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall Forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section 73 of the Companies act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013)

#### **Minimum Number of Allottees**

The Issuer may ensure that the number of Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

#### **Mode of Refund**

In case of ASBA Application: Within 6 working days of the Issue Closing Date, the Registrar to the Issue may give instruction to SCSBs for unblocking the amount in ASBA Account of unsuccessful Application and also for any excess amount blocked on Application.

Mode of making refund for ASBA applicants: In case of ASBA Application, the registrar of the issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

#### **Interest in case of Delay in Allotment or Refund:**

The Issuer may pay interest at the Rate of 15% per annum to Applicants if the funds are not unblocked within the 6 Working days of the Issue Closing Date.

#### **Issuance of Allotment Advice**

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Lead Manager or the Registrar to the Issue shall send to the Bankers to the Issue a list of their Applicants who have been allocated/Allotted Equity Shares in this Issue.
2. Pursuant to confirmation of corporate actions with respect to Allotment of Equity Shares, the Registrar to the Issue will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.
3. Approval of the Basis of Allotment by the Designated Stock Exchange. As described above shall be deemed a valid, binding and irrevocable contract for the Applicant.

#### **GENERAL INSTRUCTIONS**

##### **Do's:**

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about 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.
- Ensure that Applications submitted by any person resident outside India is in compliance with applicable foreign

and Indian laws

- All Applicants should submit their application through ASBA process only.

**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 Issue.
- 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 Issue.
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

**Instructions for completing the Application Form**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker ("broker") network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE India Limited i.e. [www.bseindia.com](http://www.bseindia.com).

**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 Issue 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 nor the Registrar to the Issue 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 Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

**Payment by Stock Invest**

In terms of the Reserve Bank of India Circular No.DBOD No. FSC BC 42/ 24.47.00/ 2003 04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

## **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). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- i. All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications
- ii. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- iii. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "know your client" norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple Applications and are liable to be rejected. The Company, in consultation with the Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple Applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

#### **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 the PAN 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.

**Our Company/ Registrar to the Issue/ Lead Manager can, however, accept the Application(s) in which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Applicant.**

#### **RIGHT TO REJECT APPLICATIONS**

In case of QIB Applicants, the Company 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, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

#### **GROUND FOR REJECTIONS**

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 4000;
- Category not ticked;
- Multiple Applications as defined in the Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;

- Applications by OCBs;
- Applications by US persons other than in reliance on Regulations or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Applications not duly signed;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date;
- Applications not containing the details of Bank Account and/or Depositories Account.

### **Equity Shares In Dematerialized Form with NSDL or CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) a tripartite agreement dated September 25, 2017 with NSDL, our Company and Registrar to the Issue;
- b) a tripartite agreement dated September 26, 2017 with CDSL, our Company and Registrar to the Issue;

The Company’s shares bear an ISIN No: INE457Y01014

- a) An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
- b) 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.
- c) Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant’s beneficiary account (with the Depository Participant).
- d) 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.
- e) 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.
- f) The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with their Depository Participant.
- g) It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange platform where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- h) The trading of the Equity Shares of our Company would be only in dematerialized form.

### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

**Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.**

### **Disposal of applications and application moneys and interest in case of delay**



The Company shall ensure the dispatch of Allotment advise, instructions to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within one working day of the date of Allotment of Equity Shares.

The Company shall use best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 6 (six) working days of closure of the issue.

## **IMPERSONATION**

Attention of the applicants is specifically drawn to the provisions of section 38(1) 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 Companies Act, 2013 and shall be treated as Fraud.**

Section 447 of the Companies Act, 2013, is reproduced as below:

“Without Prejudice to any liability including repayment of any debt under this Act or any other law for the time being in force, any person who is found to be guilty of fraud, shall be punishable with imprisonment for a term which shall not be less than six months but which may exceed to ten years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud:

Provided that where the fraud in question involves public interest, the term of imprisonment shall not be less than three years.”

## **BASIS OF ALLOTMENT**

Allotment will be made in consultation with BSE SME Platform (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 4000 equity shares the allotment will be made as follows:
  - a. Each successful applicant shall be allotted 4000 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 4000 equity

shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 4000 equity shares subject to a minimum allotment of 4000 equity shares.

5. If the Shares allocated 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.
6. The above proportionate allotment of shares in an Issue 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 a) individual applicants other than retails individual investors and b) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
  - c. The unsubscribed portion of the net to any one of the categories specified in (a) or (b) shall/may be made available for allocation to applicants in the other category, if so required.

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

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled 'Basis of Allotment' beginning on page no. 191 of Draft Prospectus.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/- Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the SME Platform of BSE.

#### **Basis of Allotment in the event of Under subscription**

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size as specified in page no. 170 shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the SME Platform of BSE - the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2009.

**As per the RBI regulations, OCBs are not permitted to participate in the Issue.**

**There is no reservation for Non Residents, NRIs, FPIs and foreign venture capital funds and all Non Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **Undertaking by our Company**

Our Company undertakes the following:

1. that the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading

at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (Six) working days of closure of the Issue;

3. that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
4. that the instruction for electronic credit of Equity Shares/ refund orders/intimation about the refund to non-resident Indians shall be completed within specified time; and
5. that no further issue of Equity Shares shall be made till the Equity Shares offered through the Draft Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.
6. that Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

#### **Utilization of Issue Proceeds**

Our Board certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act; 2013
- 2) Details of all monies utilized out of the Issue shall be disclosed and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in the Company's balance sheet indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of section SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to section 177 of the Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue respectively.
- 5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

## 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 to 100% 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 of 2015, with effect from May 12, 2015 ("Circular of 2015"), consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP. The Government usually updates the consolidated circular on FDI Policy once every Year and therefore, Circular of 2015 will be valid until the DIPP issues an updated circular.

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.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

**The Equity Shares have not been and will not be registered, 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 IX – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION**

**MAIN PROVISIONS OF ARTICLES OF ASSOCIATION**

Title of Article	Article Number	Content
<b>CONSTITUTION OF THE COMPANY</b>	<b>1.</b>	The Regulations contained in Table ‘F’ in the First Schedule to the Companies Act, 2013 shall not apply to the Company except in so far as they are embodied in the following Articles, which shall be the regulations for the Management of the Company.
<b>INTERPRETATION CLAUSE</b>	<b>2.</b>	<p>The marginal notes hereto shall not affect the construction hereof. In these presents, the following words and expressions shall have the following meanings unless excluded by the subject or context:</p> <p>a. ‘The Act’ or ‘The Companies Act’ shall mean ‘The Companies Act, 2013, its rules and any statutory modifications or reenactments thereof.’</p> <p>b. ‘The Board’ or ‘The Board of Directors’ means a meeting of the Directors duly called and constituted or as the case may be, the Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles.</p> <p>c. ‘The Company’ or ‘This Company’ means "<b>Kids Medical Systems Limited</b>".</p> <p>d. ‘Directors’ means the Directors for the time being of the Company.</p> <p>e. ‘Writing’ includes printing, lithograph, typewriting and any other usual substitutes for writing.</p> <p>f. ‘Members’ means members of the Company holding a share or shares of any class.</p> <p>g. ‘Month’ shall mean a calendar month.</p> <p>h. ‘Paid-up’ shall include ‘credited as fully paid-up’.</p> <p>i. ‘Person’ shall include any corporation as well as individual.</p> <p>j. ‘These presents’ or ‘Regulations’ shall mean these Articles of Association as now framed or altered from time to time and shall include the Memorandum where the context so requires.</p> <p>k. ‘Section’ or ‘Sec.’ means Section of the Act.</p> <p>l. Words importing the masculine gender shall include the feminine gender.</p> <p>m. Except where the context otherwise requires, words importing the singular shall include the plural and the words importing the plural shall include the singular.</p> <p>n. ‘Special Resolution’ means special resolution as defined by Section 114 in the Act.</p> <p>o. ‘The Office’ means the Registered Office for the time being of the Company.</p> <p>p. ‘The Register’ means the Register of Members to be kept pursuant to Section 88 of the Companies Act, 2013.</p> <p>q. ‘Proxy’ includes Attorney duly constituted under a Power of Attorney.</p>
	<b>3.</b>	Except as provided by Section 67, no part of funds of the Company shall be employed in the purchase of the shares of the Company, and the Company shall not directly or indirectly and whether by shares, or loans, give, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company.
	<b>4.</b>	The Authorized Share Capital of the Company shall be as prescribed in Clause V of the Memorandum of Association of the Company.
	<b>5.</b>	Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may allot 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 or at a discount (subject to compliance with the provisions of the Act) and at such terms as they may, from time to time, think fit and proper and with the sanction of the Company in General Meeting by a Special Resolution give to any person the option to call for or be allotted shares of any class of the Company, either at par, at a premium or subject as aforesaid at a discount, such option being exercisable at such times

		and for such consideration as the Board thinks fit unless the Company in General Meeting, by a Special Resolution, otherwise decides. Any offer of further shares shall be deemed to include a right, exercisable by the person to whom the shares are offered, to renounce the shares offered to him in favour of any other person. Subject to the provisions of the Act, any redeemable Preference Share, including Cumulative Convertible Preference Share may, with the sanction of an ordinary resolution be issued on the terms that they are, or at the option of the Company are liable to be redeemed or converted on such terms and in such manner as the Company, before the issue of the shares may, by special resolution, determine.
	6.	The Company in General Meeting, by a Special Resolution, may determine that any share (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not), giving them the option to call or be allotted shares of any class of the Company either at a premium or at par or at a discount, (subject to compliance with the provisions of Section 53) such option being exercisable at such times and for such consideration as may be directed by a Special Resolution at a General Meeting of the Company or in General Meeting and may take any other provisions whatsoever for the issue, allotment or disposal of any shares.
	7.	The Board may at any time increase the subscribed capital of the Company by issue of new shares out of the unissued part of the Share Capital in the original or subsequently created capital, but subject to Section 62 of the Act, and subject to the following conditions namely: I. (a) Such further shares shall be offered to the persons who, at the date of the offer, are holder of the equity shares of the Company in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date. (b) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than twenty-one days, from the date of the offer within which the offer, if not accepted, will be deemed to have been declined. (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in clause (b) shall contain a statement of this right. (d) After the expiry of the time specified in the notice aforesaid, or in respect of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as it thinks most beneficial to the Company. II. The Directors may, with the sanction of the Company in General Meeting by means of a special resolution, offer and allot shares to any person at their discretion by following the provisions of section 62 of the Act and other applicable provisions, if any. III. Nothing in this Article shall apply to the increase in the subscribed capital of the Company which has been approved by: (a) A Special Resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans, and (b) The Central Government before the issue of the debentures or raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf.
	8.	(1) The rights attached to each class of shares (unless otherwise provided by the terms of the issue of the shares of the class) may, subject to the provisions of Section 48 of the Act, be varied with the consent in writing of the holders of not less than three fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a General Meeting of the holders of the shares of that class. (2) To every such separate General Meeting, the provisions of these Articles relating to General Meeting shall Mutatis Mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of that class.
<b>Issue of further shares</b>	9.	Subject to the provisions of the Act, the rights conferred upon the holders of the shares of any class issued with preferred or other rights or not, unless otherwise expressly provided

<b>disproportionate rights</b>		for by the terms of the issue of shares of that class, be deemed to be varied by the creation of further shares ranking pari passu therewith.
<b>Not to issue shares with disproportionate rights</b>	<b>10.</b>	The Company shall not issue any shares (not being Preference Shares) which carry voting rights or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares not being Preference Shares.
<b>Power to pay commission</b>	<b>11.</b>	The Company may, at any time, pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any share, debenture or debenture stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, such commission in respect of shares shall be paid or payable out of the capital, the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed five percent of the price at which the shares are issued and in the case of debentures, the rate of commission shall not exceed, two and half percent of the price at which the debentures are issued. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also, on any issue of shares, pay such brokerage as may be lawful.
<b>Liability of joint holders of shares</b>	<b>12.</b>	The joint holders of a share or shares shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share or shares.
<b>Trust not recognised</b>	<b>13.</b>	Save as otherwise provided by these Articles, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by a statute required, be bound to recognise any equitable, contingent, future or partial interest lien, pledge or charge in any share or (except only by these presents otherwise provided for) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.
<b>Issue other than for cash</b>	<b>14.</b>	a. The Board may issue and allot shares in the capital of the Company as payment or part payment for any property sold or goods transferred or machinery or appliances supplied or for services rendered or to be rendered to the Company in or about the formation or promotion of the Company or the acquisition and or conduct of its business and shares may be so allotted as fully paid-up shares, and if so issued, shall be deemed to be fully paid-up shares. b. As regards all allotments, from time to time made, the Board shall duly comply with Section 39 of the Act.
<b>Acceptance of shares</b>	<b>15.</b>	An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any share therein, shall be acceptance of the shares within the meaning of these Articles; and every person who thus or otherwise accepts any share and whose name is on the Register shall, for the purpose of these Articles, be a shareholder.
<b>Member' right to share Certificates</b>	<b>16.</b>	1. Every person whose name is entered as a member in the Register shall be entitled to receive without payment: a. One certificate for all his shares; or b. Share certificate shall be issued in marketable lots, where the share certificates are issued either for more or less than the marketable lots, sub-division/consolidation into marketable lots shall be done free of charge. 2. The Company shall, within two months after the allotment and within fifteen days after application for registration of the transfer of any share or debenture, complete and have it ready for delivery; the share certificates for all the shares and debentures so allotted or transferred unless the conditions of issue of the said shares otherwise provide. 3. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon. 4. The certificate of title to shares and duplicates thereof when necessary shall be issued under the seal of the Company and signed by two Directors and the Secretary or authorised official(s) of the Company.
<b>One Certificate for</b>	<b>17.</b>	In respect of any share or shares held jointly by several persons, the Company shall not

<b>joint holders</b>		be bound to issue more than one certificate for the same share or shares and the delivery of a certificate for the share or shares to one of several joint holders shall be sufficient delivery to all such holders. Subject as aforesaid, where more than one share is so held, the joint holders shall be entitled to apply jointly for the issue of several certificates in accordance with Article 20 below.
<b>Renewal of Certificate</b>	<b>18.</b>	If a certificate be worn out, defaced, destroyed, or lost or if there is no further space on the back thereof for endorsement of transfer, it shall, if requested, be replaced by a new certificate without any fee, provided however that such new certificate shall not be given except upon delivery of the worn out or defaced or used up certificate, for the purpose of cancellation, or upon proof of destruction or loss, on such terms as to evidence, advertisement and indemnity and the payment of out of pocket expenses as the Board may require in the case of the certificate having been destroyed or lost. Any renewed certificate shall be marked as such in accordance with the provisions of the act in force.
	<b>19.</b>	For every certificate issued under the last preceding Article, no fee shall be charged by the Company.
<b>Splitting and consolidation of Share Certificate</b>	<b>20.</b>	The shares of the Company will be split up/consolidated in the following circumstances: (i) At the request of the member/s for split up of shares in marketable lot. (ii) At the request of the member/s for consolidation of fraction shares into marketable lot.
<b>Directors may issue new Certificate(s)</b>	<b>21.</b>	Where any share under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they think fit from the certificate not so delivered up.
<b>Person by whom installments are payable</b>	<b>22.</b>	If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalment, shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative or representatives, if any.
<b>LIEN Company's lien on shares</b>	<b>23.</b>	The Company shall have first and paramount lien upon all shares other than fully paid-up shares registered in the name of any member, either or jointly with any other person, and upon the proceeds or sale thereof for all moneys called or payable at a fixed time in respect of such shares and such lien shall extend to all dividends from time to time declared in respect of such shares. But the Directors, at any time, may declare any share to be exempt, wholly or partially from the provisions of this Article. Unless otherwise agreed, the registration of transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.
<b>As to enforcing lien by sale</b>	<b>24.</b>	For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as it thinks fit, but no sale shall be made until the expiration of 14 days after a notice in writing stating and demanding payment of such amount in respect of which the lien exists has been given to the registered holders of the shares for the time being or to the person entitled to the shares by reason of the death of insolvency of the register holder.
<b>Authority to transfer</b>	<b>25.</b>	a. To give effect to such sale, the Board of Directors may authorise any person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer. b. The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.
<b>Application of proceeds of sale</b>	<b>26.</b>	The net proceeds of any such sale shall be applied in or towards satisfaction of the said moneys due from the member and the balance, if any, shall be paid to him or the person, if any, entitled by transmission to the shares on the date of sale.
<b>Calls On Shares Calls</b>	<b>27.</b>	Subject to the provisions of Section 49 of the Act, the Board of Directors may, from time to time, make such calls as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and the member shall pay the amount of every call so made



		on him to the person and at the time and place appointed by the Board of Directors.
<b>When call deemed to have been made</b>	<b>28.</b>	A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed. The Board of Directors making a call may by resolution determine that the call shall be deemed to be made on a date subsequent to the date of the resolution, and in the absence of such a provision, a call shall be deemed to have been made on the same date as that of the resolution of the Board of Directors making such calls.
<b>Length of Notice of call</b>	<b>29.</b>	Not less than thirty day's notice of any call shall be given specifying the time and place of payment provided that before the time for payment of such call, the Directors may, by notice in writing to the members, extend the time for payment thereof.
<b>Sum payable in fixed instalments to be deemed calls</b>	<b>30.</b>	If by the terms of issue of any share or otherwise, any amount is made payable at any fixed times, or by instalments at fixed time, whether on account of the share or by way of premium, every such amount or instalment shall be payable as if it were a call duly made by the Directors, on which due notice had been given, and all the provisions herein contained in respect of calls shall relate and apply to such amount or instalment accordingly.
<b>When interest on call or instalment payable</b>	<b>31.</b>	If the sum payable in respect of any call or, instalment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the instalment shall fall due, shall pay interest for the same at the rate of 12 percent per annum, from the day appointed for the payment thereof to the time of the actual payment or at such lower rate as the Directors may determine. The Board of Directors shall also be at liberty to waive payment of that interest wholly or in part.
<b>Sums payable at fixed times to be treated as calls</b>	<b>32.</b>	The provisions of these Articles as to payment of interest shall apply in the case of non-payment of any such sum which by the terms of issue of a share, become payable at a fixed time, whether on account of the amount of the share or by way of premium, as if the same had become payable by virtue of a call duly made and notified.
<b>Payment of call in advance</b>	<b>33.</b>	The Board of Directors, may, if it thinks fit, receive from any member willing to advance all of or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any part of the moneys so advance may (until the same would, but for such advance become presently payable) pay interest at such rate as the Board of Directors may decide but shall not in respect of such advances confer a right to the dividend or participate in profits.
<b>Partial payment not to preclude forfeiture</b>	<b>34.</b>	Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any share nor any part payment or satisfaction thereunder, nor the receipt by the Company of a portion of any money which shall from, time to time, be due from any member in respect of any share, either by way of principal or interest nor any indulgency granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein after provided.
<b>FORFEITURE OF SHARES</b> <b>If call or installment not paid, notice may be given</b>	<b>35.</b>	If a member fails to pay any call or instalment of a call on the day appointed for the payment not paid thereof, the Board of Directors may during such time as any part of such call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest, which may have accrued. The Board may accept in the name and for the benefit of the Company and upon such terms and conditions as may be agreed upon, the surrender of any share liable to forfeiture and so far as the law permits of any other share.
<b>Evidence action by Company against shareholders</b>	<b>36.</b>	On the trial or hearing of any action or suit brought by the Company against any shareholder or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of shareholders of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the Board at which any call

		was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.
<b>Form of Notice</b>	<b>37.</b>	The notice shall name a further day (not earlier than the expiration 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 shall state that, in the event of non-payment on or before the day appointed, the shares in respect of which the call was made will be liable to be forfeited.
<b>If notice not complied with, shares may be forfeited</b>	<b>38.</b>	If the requirements of any such notice as, aforementioned 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. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
<b>Notice after forfeiture</b>	<b>39.</b>	When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture shall not be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
<b>Boards' right to dispose of forfeited shares or cancellation of forfeiture</b>	<b>40.</b>	A forfeited or surrendered share may be sold or otherwise disposed off on such terms and in such manner as the Board may think fit, and at any time before such a sale or disposal, the forfeiture may be cancelled on such terms as the Board may think fit.
<b>Liability after forfeiture</b>	<b>41.</b>	A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding such forfeiture, remain liable to pay and shall forthwith pay the Company all moneys, which at the date of forfeiture is payable by him to the Company in respect of the share, whether such claim be barred by limitation on the date of the forfeiture or not, but his liability shall cease if and when the Company received payment in full of all such moneys due in respect of the shares.
<b>Effect of forfeiture</b>	<b>42.</b>	The forfeiture of a share shall involve in the extinction of all interest in and also of all claims and demands against the Company in respect of the shares and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.
<b>Evidence of forfeiture</b>	<b>43.</b>	A duly verified declaration in writing that the declarant is a Director 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, and that declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposal thereof, shall constitute a good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share and 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.
<b>Non-payment of sums payable at fixed times</b>	<b>44.</b>	The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by terms of issue of a share, becomes payable at a fixed time, whether, on account of the amount of the share or by way of premium or otherwise as if the same had been payable by virtue of a call duly made and notified.
<b>Validity of such sales</b>	<b>45.</b>	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Directors may cause the purchaser's name to be entered in the register in respect of the shares sold and may issue fresh certificate in the name of such a purchaser. The purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

<p><b>TRANSFER AND TRANSMISSION OF SHARES</b></p> <p><b>Transfer</b></p>	<p><b>46.</b></p>	<p>a. The instrument of transfer of any share in the Company shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the register of members in respect thereof.</p> <p>b. The Board shall not register any transfer of shares unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company along with the certificate and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares. Provided that where it is proved to the satisfaction of the Board that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Board thinks fit, on an application on such terms in writing made by the transferee and bearing the stamp required for an instrument of transfer, register the transfer on such terms as to indemnity as the Board may think fit.</p> <p>c. An application for the registration of the transfer of any share or shares may be made either by the transferor or the transferee, provided that where such application is made by the transferor, no registration shall, in the case of partly paid shares, be effected unless the Company gives notice of the application to the transferee. The Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.</p> <p>d. For the purpose of Sub-clause (c), notice to the transferee shall be deemed to have been duly given if despatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be delivered in the ordinary course of post.</p> <p>e.Nothing in Sub-clause (d) shall prejudice any power of the Board to register as a shareholder any person to whom the right to any share has been transmitted by operation of law.</p>
<p><b>Form of transfer</b></p>	<p><b>47.</b></p>	<p>Shares in the Company shall be transferred by an instrument in writing in such common form as specified in Section 56 of the Companies Act.</p>
<p><b>Board's right to refuse to register</b></p>	<p><b>48.</b></p>	<p>a. The Board, may, at its absolute discretion and without assigning any reason, decline to register</p> <p>1. The transfer of any share, whether fully paid or not, to a person of whom it do not approve or</p> <p>2. Any transfer or transmission of shares on which the Company has a lien</p> <p>a. Provided that registration of any transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on the shares.</p> <p>b. If the Board refuses to register any transfer or transmission of right, it shall, within fifteen days from the date of which the instrument or transfer of the intimation of such transmission was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be.</p> <p>c. In case of such refusal by the Board, the decision of the Board shall be subject to the right of appeal conferred by Section 58.</p> <p>d. The provisions of this clause shall apply to transfers of stock also.</p>

<p><b>Further right of Board of Directors to refuse to register</b></p>	<p><b>49.</b></p>	<p>a. The Board may, at its discretion, decline to recognise or accept instrument of transfer of shares unless the instrument of transfer is in respect of only one class of shares.</p> <p>b. No fee shall be charged by the Company for registration of transfers or for effecting transmission on shares on the death of any member or for registering any letters of probate, letters of administration and similar other documents.</p> <p>c. Notwithstanding anything contained in Sub-articles (b) and (c) of Article 46, the Board may not accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such a sub-division or consolidation is required to be made to comply with a statutory order or an order of a competent Court of Law or a request from a member to convert his holding of odd lots, subject however, to verification by the Company.</p> <p>d. The Directors may not accept applications for transfer of less than 100 equity shares of the Company, provided however, that these restrictions shall not apply to:</p> <p>i. Transfer of equity shares made in pursuance of a statutory order or an order of competent court of law.</p> <p>ii. Transfer of the entire equity shares by an existing equity shareholder of the Company holding less than hundred (100) equity shares by a single transfer to joint names.</p> <p>iii. Transfer of more than hundred (100) equity shares in favour of the same transferee under one or more transfer deeds, one or more of them relating to transfer of less than hundred (100) equity shares.</p> <p>iv. Transfer of equity shares held by a member which are less than hundred (100) but which have been allotted to him by the Company as a result of Bonus and/or Rights shares or any shares resulting from Conversion of Debentures.</p> <p>v. The Board of Directors be authorised not to accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such sub-division or consolidation is required to be made to comply with a statutory order of a Court of Law or a request from a member to convert his holding of odd lots of shares into transferable/marketable lots, subject, however, to verification by the Company.</p> <p>Provided that where a member is holding shares in lots higher than the transferable limit of trading and transfers in lots of transferable unit, the residual shares shall be permitted to stand in the name of such transferor notwithstanding that the residual holding shall be below hundred (100).</p>
<p><b>Rights to shares on death of a member for transmission</b></p>	<p><b>50.</b></p>	<p>a. In the event of death of any one or more of several joint holders, the survivor, or survivors, alone shall be entitled to be recognised as having title to the shares.</p> <p>b. In the event of death of any sole holder or of the death of last surviving holder, the executors or administrators of such holder or other person legally entitled to the shares shall be entitled to be recognised by the Company as having title to the shares of the deceased.</p> <p>Provided that on production of such evidence as to title and on such indemnity or other terms as the Board may deem sufficient, any person may be recognised as having title to the shares as heir or legal representative of the deceased shareholder.</p> <p>Provided further that if the deceased shareholder was a member of a Hindu Joint Family, the Board, on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonged to the joint family, may recognise the survivors of Karta thereof as having titles to the shares registered in the name of such member.</p> <p>Provided further that in any case, it shall be lawful for the Board in its absolute discretion, to dispense with the production of probate or letters of administration or other legal representation upon such evidence and such terms as to indemnity or otherwise as the Board may deem just.</p>

<b>Rights and liabilities of person</b>	<b>51.</b>	<p>1. 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 be required by the Board and subject as herein, after provided elect either</p> <p>a. to be registered himself as a holder of the share or</p> <p>b. to make such transfer of the share as the deceased or insolvent member could have made.</p> <p>2. 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.</p>
<b>Notice by such a person of his election</b>	<b>52.</b>	<p>a. If the person so becoming entitled shall elect to be registered as holder of the shares himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.</p> <p>b. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</p> <p>c. 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 of transfer had been signed by that member.</p>
<b>No transfer to infant, etc.</b>	<b>53.</b>	No transfer shall be made to an infant or a person of unsound mind.
<b>Endorsement of transfer and issue of certificate</b>	<b>54.</b>	Every endorsement upon the certificate of any share in favour of any transferee shall be signed by the Secretary or by some person for the time being duly authorised by the Board in that behalf.
<b>Custody of transfer</b>	<b>55.</b>	The instrument of transfer shall, after registration, remain in the custody of the Company. The Board may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more.
<b>Register of members</b>	<b>56.</b>	<p><b>Register of members</b></p> <p>a. The Company shall keep a book to be called the Register of Members, and therein shall be entered the particulars of every transfer or transmission of any share and all other particulars of shares required by the Act to be entered in such Register.</p> <p><b>Closure of Register of members</b></p> <p>b. The Board may, after giving not less than seven days previous notice by advertisement in some newspapers circulating in the district in which the Registered Office of the Company is situated, close the Register of Members or the Register of Debenture Holders for any period or periods not exceeding in the aggregate forty-five days in each year but not exceeding thirty days at any one time.</p> <p><b>When instruments of transfer to be retained</b></p> <p>c. All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.</p>
<b>Company's right to register transfer by apparent legal owner</b>	<b>57.</b>	The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right or title or interest prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in the books of the Company; but the Company shall nevertheless be at liberty to have regard and to attend to any such notice and give effect thereto, if the Board shall so think fit.

<b>Alteration Of Capital</b>	<b>58.</b>	<p><b>Alteration and consolidation, sub-division and cancellation of shares</b></p> <p>a. The Company may, from time to time, in accordance with the provisions of the Act, alter by Ordinary Resolution, the conditions of the Memorandum of Association as follows:</p> <ol style="list-style-type: none"> <li>1. increase its share capital by such amount as it thinks expedient by issuing new shares;</li> <li>2. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;</li> <li>3. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of the denomination;</li> <li>4. sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid, on each reduced share shall be the same as it was in the case of the shares from which the reduced share is derived.</li> <li>5. a. Cancel shares which, at the date of passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.</li> <li>b. The resolution whereby any share is sub-divided may determine that, as between the holder of the shares resulting from such sub-division, one or more such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others.</li> <li>6. Classify and reclassify its share capital from the shares on one class into shares of other class or classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate any such rights, privileges, conditions or restrictions in such manner as may for the time being be permitted under legislative provisions for the time being in force in that behalf.</li> </ol>
<b>Reduction of capital, etc. by Company</b>	<b>59.</b>	<p>The Company may, by Special Resolution, reduce in any manner with and subject to any incident authorised and consent as required by law:</p> <ol style="list-style-type: none"> <li>a. its share capital;</li> <li>b. any capital redemption reserve account; or</li> <li>c. any share premium account.</li> </ol>
<b>Surrender of shares</b>	<b>60.</b>	The Directors may, subject to the provisions of the Act, accept the surrender of any share by way of compromise of any question as to the holder being properly registered in respect thereof.
<b>Modification Of Rights</b>	<b>61.</b>	<p><b>Power of modify shares</b></p> <p>The rights and privileges attached to each class of shares may be modified, commuted, affected, abrogated in the manner provided in Section 48 of the Act.</p>
<b>Set-off of moneys due to shareholders</b>	<b>62.</b>	Any money due from the Company to a shareholder may, without the consent of such shareholder, be applied by the Company in or towards payment of any money due from him, either alone or jointly with any other person, to the Company in respect of calls.
<b>Conversion of shares into Stock</b>	<b>63.</b>	<p><b>Conversion of shares</b></p> <p>The Company may, by Ordinary Resolution, convert all or any fully paid share(s) of any denomination into stock and vice versa.</p>
<b>Transfer of stock</b>	<b>64.</b>	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>Right of stockholders</b>	<b>65.</b>	The holders of the stock shall, according to the amount of the 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 its 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.

<b>Applicability of regulations to stock and stockholders</b>	<b>66.</b>	Such of the regulations contained in these presents, other than those relating to share warrants as are applicable to paid-up shares shall apply to stock and the words shares and shareholder in these presents shall include stock and stockholder respectively.
<b>Dematerialisation Of Securities</b>	<b>67.</b>	<p><b>a) Definitions</b> For the purpose of this Article: ‘Beneficial Owner’ means a person or persons whose name is recorded as such with a depository; ‘SEBI’ means the Securities and Exchange Board of India; ‘Depository’ means a company formed and registered under the Companies Act, 2013, and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992, and ‘Security’ means such security as may be specified by SEBI from time to time.</p> <p><b>b) Dematerialisation of securities</b> Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.</p> <p><b>c) Options for investors</b> Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person, who is the beneficial owner of the securities, can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.</p> <p><b>d) Securities in depositories to be in fungible form</b> All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.</p> <p><b>e) Rights of depositories and beneficial owners:</b> (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner. (ii) Save as otherwise provided in (a) above, the depository, as the registered owner of the securities, shall not have any voting rights or any other rights in respect of the securities held by it. (iii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.</p> <p><b>f) Service of documents</b> Notwithstanding anything in the Act or these Articles to the contrary, 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 discs.</p> <p><b>g) Transfer of securities</b> Nothing contained in Section 56 of the Act or these Articles shall apply to transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.</p> <p><b>h) Allotment of securities dealt with in a depository</b> Notwithstanding anything in the Act or these Articles, where securities are dealt with in a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.</p> <p><b>i) Distinctive numbers of securities held in a depository</b></p>

		<p>Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers of securities issued by the Company shall apply to securities held in a depository.</p> <p><b>j) Register and Index of Beneficial owners</b> 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 purposes of these Articles.</p> <p><b>k) Company to recognise the rights of registered holders as also the beneficial owners in the records of the depository</b> Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the beneficial owner of the shares in records of the depository as the absolute owner thereof as regards receipt of dividends or bonus or services of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person, whether or not it shall have express or implied notice thereof.</p>
<b>General Meetings</b>	<b>68.</b>	<p><b>Annual General Meeting</b> The Company shall in each year hold in addition to the other meetings a general meeting which shall be styled as its Annual General Meeting at intervals and in accordance with the provisions of Section 96 of the Act.</p>
<b>Extraordinary General Meeting</b>	<b>69.</b>	<p><b>Extraordinary General Meeting</b> 1. Extraordinary General Meetings may be held either at the Registered Office of the Company or at such convenient place as the Board or the Managing Director (subject to any directions of the Board) may deem fit.</p> <p><b>Right to summon Extraordinary General Meeting</b> 2. The Chairman or Vice Chairman may, whenever they think fit, and shall if so directed by the Board, convene an Extraordinary General Meeting at such time and place as may be determined.</p>
<b>Extraordinary Meeting by requisition</b>	<b>70.</b>	<p>a. The Board shall, on the requisition of such number of members of the Company as is specified below, proceed duly to call an Extraordinary General Meeting of the Company and comply with the provisions of the Act in regard to meetings on requisition.</p> <p>b. The requisition shall set out matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company or sent to the Company by Registered Post addressed to the Company at its Registered Office.</p> <p>c. The requisition may consist of several documents in like forms, each signed by one or more requisitionists.</p> <p>d. The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold, on the date of the deposit of the requisition, not less than 1/10th of such of the paid-up capital of the Company as at the date carries the right of the voting in regard to the matter set out in the requisition.</p> <p>e. If the Board does not, within 21 days from the date of receipt of deposit of the requisition with regard to any matter, proceed duly to call a meeting for the consideration of these matters on a date not later than 45 days from the date of deposit of the requisition, the meeting may be called by the requisitionists themselves or such of the requisitionists, as represent either majority in the value of the paid-up share capital held by them or of not less than one tenth of such paid-up capital of the Company as is referred to in Sub-clause (d) above, whichever is less.</p>



<b>Length of notice for calling meeting</b>	<b>71.</b>	A General Meeting of the Company may be called by giving not less than twenty one days notice in writing, provided that a General Meeting may be called after giving shorter notice if consent thereto is accorded by the members holding not less than 95 per cent of the part of the paid- up share capital which gives the right to vote on the matters to be considered at the meeting. Provided that where any member of the Company is entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members, shall be taken into account for purpose of this clause in respect of the former resolution or resolutions and not in respect of the latter.
<b>Accidental omission to give notice not to invalidate meeting</b>	<b>72.</b>	The accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate the proceedings of any resolution passed at such meeting.
<b>Special business and statement to be annexed</b>	<b>73.</b>	All business shall be deemed special that is transacted at an Extraordinary Meeting and also that is transacted at an Annual Meeting with the exception of declaration of a dividend, the consideration of financial statements and the reports of the Directors and Auditors thereon, the election of the Directors in the place of those retiring, and the appointment of and the fixing of the remuneration of Auditors. Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any, therein, of every Director and the Manager, if any, every other Key Managerial Personnel and the relatives of Directors, Manager and other Key Managerial Personnel. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid. Where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent of the paid-up share capital of that company, also be set out in the statement.
<b>Quorum</b>	<b>74.</b>	The quorum requirements for general meetings shall be as under and no business shall be transacted at any General Meeting unless the requisite quorum is present when the meeting proceeds to business: Number of members upto 1000: 5 members personally present Number of members 1000-5000: 15 members personally present Number of members more than 5000: 30 members personally present
<b>If quorum not present, when meeting to be dissolved and when to be adjourned</b>	<b>75.</b>	If within half an hour from the time appointed for the meeting, a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week and at the same time and place or to such other day and to be at such other time and place as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.
<b>Chairman of General Meeting</b>	<b>76.</b>	The Chairman of the Board of Directors shall preside at every General Meeting of the Company and if he is not present within 15 minutes after the time appointed for holding the meeting, or if he is unwilling to act as Chairman, the Vice Chairman of the Board of Directors shall preside over the General Meeting of the Company.
<b>When Chairman is absent</b>	<b>77.</b>	If there is no such Chairman, or Vice Chairman or if at any General Meeting, either the Chairman or Vice Chairman is not present within fifteen minutes after the time appointed for holding the meeting or if they are unwilling to take the chair, the members present shall choose one of their members to be the Chairman.

<b>Adjournment of meeting</b>	<b>78.</b>	The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn that meeting from time to time from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. 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. Save as aforesaid, it shall not be necessary to give any notice of adjournment or of the business to be transacted at an adjourned meeting.
<b>Questions at General Meeting how decided</b>	<b>79.</b>	At a General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands/result of electronic voting as per the provisions of Section 108, unless a poll is (before or on the declaration of the result of the show of hands/ electronic voting) demanded in accordance with the provisions of Section 109. Unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands/ electronic voting, been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.
<b>Casting vote</b>	<b>80.</b>	In the case of an equality of votes, the Chairman shall, whether on a show of hands, or electronically or on a poll, as the case may be, have a casting vote in addition to the vote or votes to which he may be entitled as a member.
<b>Taking of poll</b>	<b>81.</b>	If a poll is duly demanded in accordance with the provisions of Section 109, it shall be taken in such manner as the Chairman, subject to the provisions of Section 109 of the Act, may direct, and the results of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.
<b>In what cases poll taken without adjournment</b>	<b>82.</b>	A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. Where a poll is demanded on any other question, adjournment shall be taken at such time not being later than forty-eight hours from the time which demand was made, as the Chairman may direct.
<b>Votes</b>	<b>83.</b>	a. Every member of the Company holding Equity Share(s), shall have a right to vote in respect of such capital on every resolution placed before the Company. On a show of hands, every such member present shall have one vote and shall be entitled to vote in person or by proxy and his voting right on a poll or on e-voting shall be in proportion to his share of the paid-up Equity Capital of the Company. b. Every member holding any Preference Share shall in respect of such shares have a right to vote only on resolutions which directly affect the rights attached to the Preference Shares and subject as aforesaid, every such member shall in respect of such capital be entitled to vote in person or by proxy, if the dividend due on such preference shares or any part of such dividend has remained unpaid in respect of an aggregate period of not less than two years preceding the date of the meeting. Such dividend shall be deemed to be due on Preference Shares in respect of any period, whether a dividend has been declared by the Company for such period or not, on the day immediately following such period. c. Whenever the holder of a Preference Share has a right to vote on any resolution in accordance with the provisions of this article, his voting rights on a poll shall be in the same proportion as the capital paid-up in respect of such Preference Shares bear to the total equity paid-up capital of the Company.
<b>Business may proceed notwithstanding demand for poll</b>	<b>84.</b>	A demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded; The demand for a poll may be withdrawn at any time by the person or persons who made the demand.
<b>Joint holders</b>	<b>85.</b>	In the case of joint holders, the vote of the first named of such joint holders who tender a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
<b>Member of unsound mind</b>	<b>86.</b>	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.
<b>No member entitled to vote while call due to Company</b>	<b>87.</b>	No member shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
<b>Proxies permitted on polls</b>	<b>88.</b>	On a poll, votes may be given either personally or by proxy provided that no Company shall vote by proxy as long as resolution of its Directors in accordance with provisions of Section 113 is in force.
<b>Instrument of proxy</b>	<b>89.</b>	<p>a. The instrument appointing a proxy shall be in writing under the hand of the appointed or of the attorney duly authorised in writing, or if the appointer is a Corporation, either under the common seal or under the hand of an officer or attorney so authorised. Any person may act as a proxy whether he is a member or not.</p> <p>b. A body corporate (whether a company within the meaning of this Act or not) may:</p> <ol style="list-style-type: none"> <li>1. If it is a member of the Company by resolution of its Board of Directors or other governing body, authorise such persons as it thinks fit to act as its representatives at any meeting of the Company, or at any meeting of any class of members of the Company;</li> <li>2. If it is a creditor (including a holder of debentures) of the Company, by resolution of its Directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of any creditors of the Company held in pursuance of this Act or of any rules made thereunder, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be.</li> </ol> <p>c. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents, as if he were personally the member, creditor or debenture holder.</p>
<b>Instrument of proxy to be deposited at the office</b>	<b>90.</b>	The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notary certified copy of that power of authority shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote, and in default, the instrument of proxy shall not be treated as valid.
<b>Validity of vote by proxy</b>	<b>91.</b>	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the appointer, or revocation of the proxy, or transfer of the share in respect of which the vote is given provided no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company before the commencement of the meeting or adjourned meeting at which the proxy is used.
<b>Form of proxy</b>	<b>92.</b>	Any instrument appointing a proxy may be a two way proxy form to enable the shareholders to vote for or against any resolution at their discretion. The instrument of proxy shall be in the prescribed form as given in Form MGT-11.
<b>DIRECTORS</b>	<b>93.</b>	<p><b>Number of Directors</b> Unless otherwise determined by a General Meeting, the number of Directors shall not be less than 3 and not more than 15.</p> <p><b>a) Board of Directors</b> The First Directors of the Company are;  <ol style="list-style-type: none"> <li><b>1. ANIRVAN AMITAVA DAM</b></li> <li><b>2. PALLAVI ANIRVAN DAM</b></li> </ol> </p> <p><b>b) Same individual may be appointed as Chairperson and Managing Director / Chief Executive Office</b> The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive of the Company</p>
	<b>94.</b>	Subject to the provisions of the Act as may be applicable, the Board may appoint any person as a Managing Director to perform such functions as the Board may decide from time to time. Such Director shall be a Member of the Board.
<b>Qualification of</b>	<b>95.</b>	Any person, whether a member of the Company or not, may be appointed as a Director.

<b>Directors</b>		No qualification by way of holding shares in the capital of the Company shall be required of any Director.
<b>Director's remuneration</b>	<b>96.</b>	<p>a. Until otherwise determined by the Company in General Meeting, each Director shall be entitled to receive and be paid out of the funds of the Company a fee for each meeting of the Board of Directors or any committee thereof, attended by him as may be fixed by the Board of Directors from time to time subject to the provisions of Section 197 of the Act, and the Rules made thereunder. For the purpose of any resolution in this regard, none of the Directors shall be deemed to be interested in the subject matter of the resolution. The Directors shall also be entitled to be paid their reasonable travelling and hotel and other expenses incurred in consequence of their attendance at meetings of the Board or of any committee of the Board or otherwise in the execution of their duties as Directors either in India or elsewhere. The Managing/Whole-time Director of the Company who is a full time employee, drawing remuneration will not be paid any fee for attending Board Meetings.</p> <p>b. Subject to the provisions of the Act, the Directors may, with the sanction of a Special Resolution passed in the General Meeting and such sanction, if any, of the Government of India as may be required under the Companies Act, sanction and pay to any or all the Directors such remuneration for their services as Directors or otherwise and for such period and on such terms as they may deem fit.</p> <p>c. Subject to the provisions of the Act, the Company in General Meeting may by Special Resolution sanction and pay to the Director in addition to the said fees set out in sub-clause (a) above, a remuneration not exceeding one per cent (1%) of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act. The said amount of remuneration so calculated shall be divided equally between all the Directors of the Company who held office as Directors at any time during the year of account in respect of which such remuneration is paid or during any portion of such year irrespective of the length of the period for which they held office respectively as such Directors.</p> <p>d. Subject to the provisions of Section 188 of the Companies Act, and subject to such sanction of the Government of India, as may be required under the Companies Act, if any Director shall be appointed to advise the Directors as an expert or be called upon to perform extra services or make special exertions for any of the purposes of the Company, the Directors may pay to such Director such special remuneration as they think fit; such remuneration may be in the form of either salary, commission, or lump sum and may either be in addition to or in substitution of the remuneration specified in clause (a) of the Article.</p>
<b>Directors may act notwithstanding vacancy</b>	<b>97.</b>	The continuing Directors may act notwithstanding any vacancy in their body, but subject to the provisions contained in Article 119 below:
<b>Chairman or Vice-chairman of the Board</b>	<b>98.</b>	<p>a. Notwithstanding anything contained in these Articles and pursuant to provisions of the Act, Managing Director of the company will act as Chairman of the board and Deputy Managing Director will act as Vice chairman of the board.</p> <p>b. Subject to the provisions of the Act, the Chairman and the Vice Chairman may be paid such remuneration for their services as Chairman and Vice Chairman respectively, and such reasonable expenses including expenses connected with travel, secretarial service and entertainment, as may be decided by the Board of Directors from time to time.</p>
<b>Casual vacancy</b>	<b>99.</b>	If the office of any Director becomes vacant before the expiry of the period of his Directorship in normal course, the resulting casual vacancy may be filled by the Board at a Meeting of the Board subject to Section 161 of the Act. Any person so appointed shall hold office only upto the date which the Director in whose place he is appointed would have held office if the vacancy had not occurred as aforesaid.

<p><b>VACATION OF OFFICE BY DIRECTORS</b></p>	<p><b>100.</b></p>	<p>The office of a Director shall be vacated if:</p> <ol style="list-style-type: none"> <li>1. he is found to be unsound mind by a Court of competent jurisdiction;</li> <li>2. he applies to be adjudicated as an insolvent;</li> <li>3. he is an undischarged insolvent;</li> <li>4. he is convicted by a Court of any offence whether involving moral turpitude or otherwise and is sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;</li> <li>5. he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call;</li> <li>6. an order disqualifying him for appointment as Director has been passed by court or tribunal and the order is in force.</li> <li>7. he has not complied with Subsection (3) of Section 152</li> <li>8. he has been convicted of the offence dealing with related party transaction under section 188 at any time during the preceding five years.</li> <li>9. he absents himself from all meetings of the Board for a continuous period of twelve months, with or without seeking leave of absence from the Board;</li> <li>10. he acts in contravention of Section 184 of the Act and fails to disclose his interest in a contract in contravention of section 184.</li> <li>11. he becomes disqualified by an order of a court or the Tribunal</li> <li>12. he is removed in pursuance of the provisions of the Act,</li> <li>13. having been appointed a Director by virtue of holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company;</li> </ol> <p>notwithstanding anything in Clause (4), (6) and (8) aforesaid, the disqualification referred to in those clauses shall not take effect:</p> <ol style="list-style-type: none"> <li>1. for thirty days from the date of the adjudication, sentence or order;</li> <li>2. where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed off; or</li> <li>3. where within the seven days as aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed off.</li> </ol>
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<b>Alternate Directors</b>	<b>101.</b>	<p>(a) The Board may appoint an Alternate Director to act for a Director hereinafter called in this clause “the Original Director” during his absence for a period of not less than 3 months from India.</p> <p>(b) An Alternate Director appointed as aforesaid shall vacate office if and when the Original Director returns to India.</p> <p><b>Independent Directors</b></p> <p>(c) (i) The Directors may appoint such number of Independent Directors as are required under Section 149 of the Companies Act, 2013 or clause 49 of Listing Agreement, whichever is higher, from time to time.</p> <p>(ii) Independent directors shall possess such qualification as required under Section 149 of the companies Act, 2013 and clause 49 of Listing Agreement</p> <p>(iii) Independent Director shall be appointed for such period as prescribed under relevant provisions of the companies Act, 2013 and Listing Agreement and shall not be liable to retire by rotation.</p> <p><b>Women Director</b></p> <p>(d) The Directors shall appoint one women director as per the requirements of section 149 of the Act.</p> <p><b>Key Managerial Personnel</b></p> <p>(e) Subject to the provisions of the Act,—</p> <p>(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>(iii) The Managing Director shall act as the Chairperson of the Company for all purposes subject to the provisions contained in the Act and these articles.</p>
<b>Additional Directors</b>	<b>102.</b>	<p>The Directors may, from time to time, appoint a person as an Additional Director provided that the number of Directors and Additional Directors together shall not exceed the maximum number of Directors fixed under Article 93 above. Any person so appointed as an Additional Director shall hold office upto the date of the next Annual General Meeting of the Company.</p> <p><b>Proportion of retirement by rotation</b></p> <p>a. The proportion of directors to retire by rotation shall be as per the provisions of Section 152 of the Act.</p>
<b>Debenture</b>	<b>103.</b>	<p>Any trust deed for securing debentures or debenture-stocks may, if so arranged, provide for the appointment, from time to time, by the Trustees thereof or by the holders of debentures or debenture-stocks, of some person to be a Director of the Company and may empower such Trustees, holder of debentures or debenture-stocks, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as “Debenture Director” and the term “Debenture Director” means the Director for the time being in office under this Article. The Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any other provisions herein contained.</p>

<p><b>Corporation/Nominee Director</b></p>	<p><b>104.</b></p>	<p>a. Notwithstanding anything to the contrary contained in the Articles, so long as any moneys remain owing by the Company the any finance corporation or credit corporation or body, (herein after in this Article referred to as “The Corporation”) out of any loans granted by them to the Company or as long as any liability of the Company arising out of any guarantee furnished by the Corporation, on behalf of the Company remains defaulted, or the Company fails to meet its obligations to pay interest and/or instalments, the Corporation shall have right to appoint from time to time any person or person as a Director or Directors (which Director or Directors is/are hereinafter referred to as “Nominee Director(s)”) on the Board of the Company and to remove from such office any person so appointed, any person or persons in his or their place(s).</p> <p>b. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s as long as such default continues. Such Nominee Director/s shall not be required to hold any share qualification in the Company, and such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.</p> <p>The Nominee Director/s appointed shall hold the said office as long as any moneys remain owing by the Company to the Corporation or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation.</p> <p>The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, and of the Meeting of the Committee of which the Nominee Director/s is/are member/s.</p> <p>The Corporation shall also be entitled to receive all such notices. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Director/s of the Company are entitled, but if any other fee, commission, monies or remuneration in any form is payable to the Director/s of the Company, the fee, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment to Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s.</p> <p>Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees, in relation to such Nominee Director/s shall so accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.</p> <p>c. The Corporation may at any time and from time to time remove any such Corporation Director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as a Corporation Director in his place. Such appointment or removal shall be made in writing signed by the Chairman or Joint Chairman of the Corporation or any person and shall be delivered to the Company at its Registered office. It is clarified that every Corporation entitled to appoint a Director under this Article may appoint such number of persons as Directors as may be authorised by the Directors of the Company, subject to Section 152 of the Act and so that the number does not exceed 1/3 of the maximum fixed under Article 93.</p>
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<b>Disclosure of interest of Directors</b>	<b>105.</b>	<p>a. Subject to the provisions of the Act, the Directors shall not be disqualified by reason of their office as such from contracting with the Company either as vendor, purchaser, lender, agent, broker, or otherwise, nor shall any such contract or any contract or arrangement entered into by on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established but the nature of the interest must be disclosed by the Director at the meeting of the Board at which the contract or arrangements is determined or if the interest then exists in any other case, at the first meeting of the Board after the acquisition of the interest.</p> <p>Provided nevertheless that no Director shall vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid or take part in the proceedings thereat and he shall not be counted for the purpose of ascertaining whether there is quorum of Directors present. This provision shall not apply to any contract by or on behalf of the Company to indemnify the Directors or any of them against any loss they may suffer by becoming or being sureties for the Company.</p> <p>b. A Director may be or become a Director of any company promoted by this Company or in which this Company may be interested as vendor, shareholder or otherwise and no such Director shall be accountable to the Company for any benefits received as a Director or member of such company.</p>
<b>Rights of Directors</b>	<b>106.</b>	Except as otherwise provided by these Articles and subject to the provisions of the Act, all the Directors of the Company shall have in all matters equal rights and privileges, and be subject to equal obligations and duties in respect of the affairs of the Company.
<b>Directors to comply with Section 184</b>	<b>107.</b>	Notwithstanding anything contained in these presents, any Director contracting with the Company shall comply with the provisions of Section 184 of the Companies Act, 2013.
<b>Directors power of contract with Company</b>	<b>108.</b>	Subject to the limitations prescribed in the Companies Act, 2013, the Directors shall be entitled to contract with the Company and no Director shall be disqualified by having contracted with the Company as aforesaid.
<b>ROTATION OF DIRECTORS</b>	<b>109.</b>	<p><b>Rotation and retirement of Directors</b></p> <p>At every annual meeting, one-third of the Directors shall retire by rotation in accordance with provisions of Section 152 of the Act , however, Anirvan Amitava Dam being the promoter, permanent Director and founder of the Company shall not be liable to be retire by rotation.</p>
<b>Retiring Directors eligible for re-election</b>	<b>110.</b>	A retiring Director shall be eligible for re-election and the Company at the General Meeting at which a Director retires in the manner aforesaid may fill up vacated office by electing a person thereto.
<b>Which Directors to retire</b>	<b>111.</b>	The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who become Directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot.
<b>Retiring Directors to remain in office till successors are appointed</b>	<b>112.</b>	Subject to Section 152 of the Act, if at any meeting at which an election of Directors ought to take place, the place of the vacating or deceased Directors is not filled up and the meeting has not expressly resolved not to fill up or appoint the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday at the same time, place, and if at the adjourned meeting the place of vacating Directors is not filled up and the meeting has also not expressly resolved not to fill up the vacancy, then the vacating Directors or such of them as have not had their places filled up shall be deemed to have been reappointed at the adjourned meeting.
<b>Power of General Meeting to increase or reduce number of Directors</b>	<b>113.</b>	Subject to the provisions of Sections 149, 151 and 152 the Company in General Meeting may increase or reduce the number of Directors subject to the limits set out in Article 93 and may also determine in what rotation the increased or reduced number is to retire.
<b>Power to remove</b>	<b>114.</b>	Subject to provisions of Section 169 the Company, by Ordinary Resolution, may at any



<b>Directors by ordinary resolution</b>		time remove any Director except Government Directors before the expiry of his period of office, and may by Ordinary Resolution appoint another person in his place. The person so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforementioned. A Director so removed from office shall not be re-appointed as a Director by the Board of Directors. Special Notice shall be required of any resolution to remove a Director under this Article, or to appoint somebody instead of the Director at the meeting at which he is removed.
<b>Rights of persons other than retiring Directors to stand for Directorships</b>	<b>115.</b>	Subject to the provisions of Section 160 of the Act, a person not being a retiring Director shall be eligible for appointment to the office of a Director at any general meeting if he or some other member intending to propose him as a Director has not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of the Director, or the intention of such member to propose him as a candidate for that office, as the case may be "along with a deposit of such sum as may be prescribed by the Act or the Central Government from time to time which shall be refunded to such person or as the case may be, to such member, if the person succeeds in getting elected as a Director or gets more than 25% of total valid votes cast either on show of hands or electronically or on poll on such resolution".
<b>Register of Directors and KMP and their shareholding</b>	<b>116.</b>	The Company shall keep at its Registered Office a register containing the addresses and occupation and the other particulars as required by Section 170 of the Act of its Directors and Key Managerial Personnel and shall send to the Registrar of Companies returns as required by the Act.
<b>Business to be carried on</b>	<b>117.</b>	The business of the Company shall be carried on by the Board of Directors.
<b>Meeting of the Board</b>	<b>118.</b>	The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings, as it thinks fit, provided that a meeting of the Board shall be held at least once in every one hundred and twenty days; and at least four such meetings shall be held in every year.
<b>Director may summon meeting</b>	<b>119.</b>	A Director may at any time request the Secretary to convene a meeting of the Directors and seven days notice of meeting of directors shall be given to every director and such notice shall be sent by hand delivery or by post or by electronic means.
<b>Question how decided</b>	<b>120.</b>	a. Save as otherwise expressly provided in the Act, a meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally and all questions arising at any meeting of the Board shall be decided by a majority of the Board. b. In case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a Director.
<b>Right of continuing Directors when there is no quorum</b>	<b>121.</b>	The continuing Directors may act notwithstanding any vacancy in the Board, but if and as long as their number is reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company and for no other purpose.
<b>Quorum</b>	<b>122.</b>	The quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that onethird being rounded off as one) or two Directors whichever is higher; provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of Directors who are not interested present at the meeting being not less than two shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of the Board after deducting therefrom the number of Directors, if any, whose places are vacant at the time.
<b>Election of Chairman to the Board</b>	<b>123.</b>	If no person has been appointed as Chairman or Vice Chairman under Article 98(a) or if at any meeting, the Chairman or Vice Chairman of the Board is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of the meeting.

<b>Power to appoint Committees and to delegate</b>	<b>124.</b>	<p><b>Power to appoint Committees and to delegate</b></p> <p>a. The Board may, from time to time, and at any time and in compliance with provisions of the act and listing agreement constitute one or more Committees of the Board consisting of such member or members of its body, as the Board may think fit.</p> <p><b>Delegation of powers</b></p> <p>b. Subject to the provisions of Section 179 the Board may delegate from time to time and at any time to any Committee so appointed all or any of the powers, authorities and discretions for the time being vested in the Board and such delegation may be made on such terms and subject to such conditions as the Board may think fit and subject to provisions of the act and listing agreement.</p> <p>c. The Board may from, time to time, revoke, add to or vary any powers, authorities and discretions so delegated subject to provisions of the act and listing agreement.</p>
<b>Proceedings of Committee</b>	<b>125.</b>	The meeting and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto, and not superseded by any regulations made by the Directors under the last proceeding Article.
<b>Election of Chairman of the Committee</b>	<b>126.</b>	<p>a. The Chairman or the Vice Chairman shall be the Chairman of its meetings, if either is not available or if at any meeting either is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their number to be Chairman of the meeting.</p> <p>b. The quorum of a Committee may be fixed by the Board and until so fixed, if the Committee is of a single member or two members, the quorum shall be one and if more than two members, it shall be two.</p>
<b>Question how determined</b>	<b>127.</b>	<p>a. A Committee may meet and adjourn as it thinks proper.</p> <p>b. Questions arising at any meeting of a Committee shall be determined by the sole member of the Committee or by a majority of votes of the members present as the case may be and in case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a member of the Committee.</p>
<b>Acts done by Board or Committee valid, notwithstanding defective appointment, etc.</b>	<b>128.</b>	All acts done by any meeting of the Board or 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 any person acting as aforesaid, or that any of them was disqualified, be as valid as if every such Director and such person had been duly appointed and was qualified to be a Director.
<b>Resolution by circulation</b>	<b>129.</b>	Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with necessary papers, if any, to all the members of the Committee then in India (not being less in number than the quorum fixed for the meeting of the Board or the Committee as the case may) and to all other Directors or members at their usual address in India or by a majority of such of them as are entitled to vote on the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or Committee duly convened and held.
<b>POWERS AND DUTIES OF DIRECTORS</b>	<b>130.</b>	<p><b>General powers of Company vested in Directors</b></p> <p>The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not, by the act or any statutory modification thereof for the time being in force, or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless to any regulation of these Articles, to the provisions of the said Act, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting, shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.</p>
<b>Attorney of the Company</b>	<b>131.</b>	The Board may appoint at any time and from time to time by a power of attorney under the Company's seal, any person to be the Attorney of the Company for such purposes and with such powers, authorities and discretions not exceeding those vested in or exercisable by the Board under these Articles and for such period and subject to such conditions as the Board may from time to time think fit and any such appointment, may,

		if the Board thinks fit, be made in favour of the members, or any of the members of any firm or company, or the members, Directors, nominees or managers of any firm or company or otherwise in favour of any body or persons whether nominated directly or indirectly by the Board and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the Board may think fit.
<b>Power to authorise sub delegation</b>	<b>132.</b>	The Board may authorise any such delegate or attorney as aforesaid to sub-delegate all or any of the powers and authorities for the time being vested in him.
<b>Directors' duty to comply with the provisions of the Act</b>	<b>133.</b>	The Board shall duly comply with the provisions of the Act and in particular with the provisions in regard to the registration of the particulars of mortgages and charges affecting the property of the Company or created by it, and keep a register of the Directors, and send to the Registrar an annual list of members and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital and copies of special resolutions, and such other resolutions and agreements required to be filed under Section 117 of the Act and a copy of the Register of Directors and notifications of any change therein.
<b>Special power of Directors</b>	<b>134.</b>	In furtherance of and without prejudice to the general powers conferred by or implied in Article 130 and other powers conferred by these Articles, and subject to the provisions of Sections 179 and 180 of the Act, that may become applicable, it is hereby expressly declared that it shall be lawful for the Directors to carry out all or any of the objects set forth in the Memorandum of Association and to the following things.
<b>To acquire and dispose of property and rights</b>	<b>135.</b>	<p>a. To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit and to sell, let, exchange, or otherwise dispose of the property, privileges and undertakings of the Company upon such terms and conditions and for such consideration as they may think fit.</p> <p><b>To pay for property in debentures, etc.</b></p> <p>b. At their discretion to pay for any property, rights and privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures or other securities of the Company and any such shares may be issued either as fully paid-up or with such amount credited as paid-up, the sum as may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.</p> <p><b>To secure contracts by mortgages</b></p> <p>c. To secure the fulfillment of any contracts or agreements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such other manner as they think fit.</p> <p><b>To appoint officers, etc.</b></p> <p>d. To appoint and at their discretion remove, or suspend such agents, secretaries, officers, clerks and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties and fix their powers and duties and fix their salaries or emoluments and to the required security in such instances and to such amount as they think fit.</p> <p>e. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payments or satisfaction of any dues and of any claims or demands by or against the Company.</p> <p><b>To refer to arbitration</b></p> <p>f. To refer to, any claims or demands by or against the Company to arbitration and observe and perform the awards.</p> <p><b>To give receipt</b></p> <p>g. To make and give receipts, releases and other discharges for money payable to the Company and of the claims and demands of the Company.</p> <p><b>To act in matters of bankrupts and insolvents</b></p> <p>h. To act on behalf of the Company in all matters relating to bankrupts and insolvents.</p>

	<p><b>To give security by way of indemnity</b></p> <p>i. To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.</p> <p><b>To give commission</b></p> <p>j. To give any person employed by the Company a commission on the profits of any particular business or transaction or a share in the general profits of the Company.</p> <p><b>To make contracts etc.</b></p> <p>k. To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.</p> <p><b>To make bye-laws</b></p> <p>l. From time to time, make, vary and repeal bye-laws for the regulations of the business for the Company, its officers and servants.</p> <p><b>To set aside profits for provided fund</b></p> <p>m. Before recommending any dividends, to set-aside portions of the profits of the Company to form a fund to provide for such pensions, gratuities or compensations; or to create any provident fund or benefit fund in such or any other manner as the Directors may deem fit.</p> <p><b>To make and alter rules</b></p> <p>n. To make and alter rules and regulations concerning the time and manner of payments of the contributions of the employees and the Company respectively to any such fund and accrual, employment, suspension and forfeiture of the benefits of the said fund and the application and disposal thereof and otherwise in relation to the working and management of the said fund as the Directors shall from time to time think fit.</p> <p>o. And generally, at their absolute discretion, to do and perform every act and thing which they may consider necessary or expedient for the purpose of carrying on the business of the Company, excepting such acts and things as by Memorandum of Association of the Company or by these presents may stand prohibited.</p>
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<b>Managing Director</b>	<b>136.</b>	<p>a. Subject to the provisions of Section 196 ,197, 2(94), 203 of the Act, the following provisions shall apply:</p> <p>b. The Board of Directors may appoint or re-appoint one or more of their body, not exceeding two, to be the Managing Director or Managing Directors of the Company for such period not exceeding 5 years as it may deem fit, subject to such approval of the Central Government as may be necessary in that behalf.</p> <p>c. The remuneration payable to a Managing Director shall be determined by the Board of Directors subject to the sanction of the Company in General Meeting and of the Central Government, if required.</p> <p>d. If at any time there are more than one Managing Director, each of the said Managing Directors may exercise individually all the powers and perform all the duties that a single Managing Director may be empowered to exercise or required to perform under the Companies Act or by these presents or by any Resolution of the Board of Directors and subject also to such restrictions or conditions as the Board may from time to time impose.</p> <p>e. The Board of Directors may at any time and from time to time designate any Managing Director as Deputy Managing Director or Joint Managing Director or by such other designation as it deems fit.</p> <p>f. Subject to the supervision, control and directions of the Board of Directors, the Managing Director/Managing Directors shall have the management of the whole of the business of the Company and of all its affairs and shall exercise all powers and perform all duties and in relation to the management of the affairs, except such powers and such duties as are required by Law or by these presents to be exercised or done by the Company in General Meeting or by the Board and also subject to such conditions and restrictions imposed by the Act or by these presents or by the Board of Directors. Without prejudice to the generality of the foregoing, the Managing Director/Managing Directors shall exercise all powers set out in Article 137 above except those which are by law or by these presents or by any resolution of the Board required to be exercised by the Board or by the Company in General Meeting.</p>
<b>Whole-time Director</b>	<b>137.</b>	<p>1. Subject to the provisions of the Act and subject to the approval of the Central Government, if any, required in that behalf, the Board may appoint one or more of its body, as Whole-time Director or Wholetime Directors on such designation and on such terms and conditions as it may deem fit. The Whole-time Directors shall perform such duties and exercise such powers as the Board may from time to time determine which shall exercise all such powers and perform all such duties subject to the control, supervision and directions of the Board and subject thereto the supervision and directions of the Managing Director. The remuneration payable to the Whole-time Directors shall be determined by the Company in General Meeting, subject to the approval of the Central Government, if any, required in that behalf.</p> <p>2. A Whole-time Director shall (subject to the provisions of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and he shall, ipso facto and immediately, cease to be Whole-time Director, if he ceases to hold the Office of Director from any cause except where he retires by rotation in accordance with the Articles at an Annual General Meeting and is re-elected as a Director at that Meeting.</p>
<b>Secretary</b>	<b>138.</b>	<p>138. The Board shall have power to appoint a Secretary a person fit in its opinion for the said office, for such period and on such terms and conditions as regards remuneration and otherwise as it may determine. The Secretary shall have such powers and duties as may, from time to time, be delegated or entrusted to him by the Board.</p>
<b>Powers as to commencement of business</b>	<b>139.</b>	<p>Subject to the provisions of the Act, any branch or kind of business which by the Memorandum of Association of the Company or these presents is expressly or by implication authorised to be undertaken by the Company, may be undertaken by the Board at such time or times as it shall think fit and further may be suffered by it to be in abeyance whether such branch or kind of business may have been actually commenced or not so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.</p>

<b>Delegation of power</b>	<b>140.</b>	Subject to Section 179 the Board may delegate all or any of its powers to any Director, jointly or severally or to any one Director at its discretion or to the Executive Director.
<b>BORROWING</b> <b>Borrowing Powers</b>	<b>141.</b>	<p>a. The Board may, from time to time, raise any money or any moneys or sums of money for the purpose of the Company; provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not, without the sanction of the Company at a General Meeting, exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set-apart for any specific purpose and in particular but subject to the provisions of Section 179 of the Act, the Board may, from time to time, at its discretion raise or borrow or secure the payment of any such sum or sums of money for the purpose of the Company, by the issue of debentures to members, perpetual or otherwise including debentures convertible into shares of this or any other company or perpetual annuities in security of any such money so borrowed, raised or received, mortgage, pledge or charge, the whole or any part of the property, assets, or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or transfer or convey the same absolutely or entrust and give the lenders powers of sale and other powers as may be expedient and purchase, redeem or pay off any such security.</p> <p>Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount upto which moneys may be borrowed by the Board of Directors, provided that subject to the provisions of clause next above, the Board may, from time to time, at its discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company as such time and in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by promissory notes or by opening current accounts, or by receiving deposits and advances, with or without security or by the issue of bonds, perpetual or redeemable debentures or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any land, building, bond or other property and security of the Company or by such other means as them may seem expedient.</p>
<b>Assignment of debentures</b>	<b>142.</b>	Such debentures, debenture stock, bonds or other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued.

<b>Terms of debenture issue</b>	<b>143.</b>	<p>a. Any such debenture, debenture stock, bond or other security may be issued at a discount, premium or otherwise, and with any special privilege as the redemption, surrender, drawing, allotment of shares of the Company, or otherwise, provided that debentures with the right to allotment or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.</p> <p>b. Any trust deed for securing of any debenture or debenture stock and or any mortgage deed and/or other bond for securing payment of moneys borrowed by or due by the Company and/or any contract or any agreement made by the Company with any person, firm, body corporate, Government or authority who may render or agree to render any financial assistance to the Company by way of loans advanced or by guaranteeing of any loan borrowed or other obligations of the Company or by subscription to the share capital of the Company or provide assistance in any other manner may provide for the appointment from time to time, by any such mortgagee, lender, trustee of or holders of debentures or contracting party as aforesaid, of one or more persons to be a Director or Directors of the Company. Such trust deed, mortgage deed, bond or contract may provide that the person appointing a Director as aforesaid may, from time to time, remove any Director so appointed by him and appoint any other person in his place and provide for filling up of any casual vacancy created by such person vacating office as such Director. Such power shall determine and terminate on the discharge or repayment of the respective mortgage, loan or debt or debenture or on the termination of such contract and any person so appointed as Director under mortgage or bond or debenture trust deed or under such contract shall cease to hold office as such Director on the discharge of the same. Such appointment and provision in such document as aforesaid shall be valid and effective as if contained in these presents.</p> <p>c. The Director or Directors so appointed by or under a mortgage deed or other bond or contract as aforesaid shall be called a Mortgage Director or Mortgage Directors and the Director if appointed as aforesaid under the provisions of a debenture trust deed shall be called "Debenture Director". The words "Mortgage" or "Debenture Director" shall mean the Mortgage Director for the time being in office. The Mortgage Director or Debenture Director shall not be required to hold any qualification shares and shall not be liable to retire by rotation or to be removed from office by the Company. Such mortgage deed or bond or trust deed or contract may contain such auxiliary provision as may be arranged between the Company and mortgagee lender, the trustee or contracting party, as the case may be, and all such provisions shall have effect notwithstanding any of the other provisions herein contained but subject to the provisions of the Act.</p> <p>d. The Directors appointed as Mortgage Director or Debenture Director or Corporate Director under the Article shall be deemed to be ex-officio Directors.</p> <p>e. The total number of ex-officio Directors, if any, so appointed under this Article together with the other ex-officio Directors, if any, appointment under any other provisions of these presents shall not at any time exceed one-third of the whole number of Directors for the time being.</p>
<b>Charge on uncalled capital</b>	<b>144.</b>	Any uncalled capital of the Company may be included in or charged by mortgage or other security.
<b>Subsequent assignees of uncalled capital</b>	<b>145.</b>	Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject such prior charge, and shall not be entitled, by notice to the shareholder or otherwise, to obtain priority over such prior charge.
<b>Charge in favour of Director of indemnity</b>	<b>146.</b>	If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or other person so becoming liable as aforesaid from any loss in respect of such liability.

<b>Powers to be exercised by Board only at meeting</b>	<b>147.</b>	<p>a. Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said power shall be exercised only by resolution passed at the meetings of the Board.</p> <p>(a) to make calls on shareholders in respect of money unpaid on their shares;</p> <p>(b) to authorise buy-back of securities under section 68;</p> <p>(c) to issue securities, including debentures, whether in or outside India;</p> <p>(d) to borrow monies;</p> <p>(e) to invest the funds of the company;</p> <p>(f) to grant loans or give guarantee or provide security in respect of loans;</p> <p>(g) to approve financial statement and the Board's report;</p> <p>(h) to diversify the business of the company;</p> <p>(i) to approve amalgamation, merger or reconstruction;</p> <p>(j) to take over a company or acquire a controlling or substantial stake in another company;</p> <p>(k) to make political contributions;</p> <p>(l) to appoint or remove key managerial personnel (KMP);</p> <p>(m) to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;</p> <p>(n) to appoint internal auditors and secretarial auditor;</p> <p>(o) to take note of the disclosure of director's interest and shareholding;</p> <p>(p) to buy, sell investments held by the company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee company;</p> <p>(q) to invite or accept or renew public deposits and related matters;</p> <p>(r) to review or change the terms and conditions of public deposit;</p> <p>(s) to approve quarterly, half yearly and annual financial statements or financial results as the case may be.</p> <p>(t) such other business as may be prescribed by the Act.</p> <p>b. The Board may by a meeting delegate to any Committee of the Board or to the Managing Director the powers specified in Sub-clauses, d, e and f above.</p> <p>c. Every resolution delegating the power set out in Sub-clause d shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the said delegate.</p> <p>d. Every resolution delegating the power referred to in Sub-clause e shall specify the total amount upto which the funds may be invested and the nature of investments which may be made by the delegate.</p> <p>e. Every resolution delegating the power referred to in Sub-clause f above shall specify the total amount upto which loans may be made by the delegate, the purposes for which the loans may be made, and the maximum amount of loans that may be made for each such purpose in individual cases.</p>
<b>Register of mortgage to be kept</b>	<b>148.</b>	<p>The Directors shall cause a proper register and charge creation documents to be kept in accordance with the provisions of the Companies Act, 2013 for all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges therein specified and otherwise and shall also duly comply with the requirements of the said Act as to keeping a copy of every instrument creating any mortgage or charge by the Company at the office.</p>
<b>Register of holders of debentures</b>	<b>149.</b>	<p>Every register of holders of debentures of the Company may be closed for any period not exceeding on the whole forty five days in any year, and not exceeding thirty days at any one time. Subject as the aforesaid, every such register shall be open to the inspection of registered holders of any such debenture and of any member but the Company may in General Meeting impose any reasonable restriction so that at least two hours in every day, when such register is open, are appointed for inspection.</p>



<b>Inspection of copies of and Register of Mortgages</b>	<b>150.</b>	The Company shall comply with the provisions of the Companies Act, 2013, as to allow inspection of copies kept at the Registered Office in pursuance of the said Act, and as to allowing inspection of the Register of charges to be kept at the office in pursuance of the said Act.
<b>Supplying copies of register of holder of debentures</b>	<b>151.</b>	The Company shall comply with the provisions of the Companies Act, 2013, as to supplying copies of any register of holders of debentures or any trust deed for securing any issue of debentures.
<b>Right of holders of debentures as to Financial Statements</b>	<b>152.</b>	Holders of debentures and any person from whom the Company has accepted any sum of money by way of deposit, shall on demand, be entitled to be furnished, free of cost, or for such sum as may be prescribed by the Government from time to time, with a copy of the Financial Statements of the Company and other reports attached or appended thereto.
<b>Minutes</b>	<b>153.</b>	a. The Company shall comply with the requirements of Section 118 of the Act, in respect of the keeping of the minutes of all proceedings of every General Meeting and every meeting of the Board or any Committee of the Board. b. The Chairman of the meeting shall exclude at his absolute discretion such of the matters as are or could reasonably be regarded as defamatory of any person irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.
<b>Managing Director's power to be exercised severally</b>	<b>154.</b>	All the powers conferred on the Managing Director by these presents, or otherwise may, subject to any directions to the contrary by the Board of Directors, be exercised by any of them severally.
<b>MANAGER</b>	<b>155.</b>	<b>Manager</b> Subject to the provisions of the Act, the Directors may appoint any person as Manager for such term not exceeding five years at a time at such remuneration and upon such conditions as they may think fit and any Manager so appointed may be removed by the Board.
<b>Seal</b>	<b>156.</b>	The Board shall provide a common seal of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The common seal shall be kept at the Registered Office of the Company and committed to the custody of the Directors.
<b>Affixture of Seal</b>	<b>157.</b>	The seal shall not be affixed to any instrument except by the authority of a resolution of the Board or Committee and unless the Board otherwise determines, every deed or other instrument to which the seal is required to be affixed shall, unless the same is executed by a duly constituted attorney for the Company, be signed by one Director and the Secretary in whose presence the seal shall have been affixed or such other person as may, from time to time, be authorised by the Board and provided nevertheless that any instrument bearing the seal of the Company issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority to issue the same provided also the counter signature of the Chairman or the Vice Chairman, which shall be sealed in the presence of any one Director and signed by him on behalf of the Company.
<b>DIVIDENDS AND RESERVES</b>	<b>158.</b>	<b>Rights to Dividend</b> The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of these presents as to the Reserve Fund, shall be divisible among the equity shareholders.
<b>Declaration of Dividends</b>	<b>159.</b>	The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.
<b>What to be deemed net profits</b>	<b>160.</b>	The declarations of the Directors as to the amount of the net profits of the Company shall be conclusive.
<b>Interim Dividend</b>	<b>161.</b>	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.
<b>Dividends to be paid out of profits only</b>	<b>162.</b>	No dividend shall be payable except out of the profits of the year or any other undistributed profits except as provided by Section 123 of the Act.

<b>Reserve Funds</b>	<b>163.</b>	<p>a. The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper 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 equalising dividends and pending such application may, at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.</p> <p>b. The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as Reserve.</p>
<b>Method of payment of dividend</b>	<b>164.</b>	<p>a. Subject to the rights of persons, if any, entitled to share 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.</p> <p>b. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of these regulations as paid on the share.</p> <p>c. 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 dividends as from a particular date, such shares shall rank for dividend accordingly.</p>
<b>Deduction of arrears</b>	<b>165.</b>	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 in relation to the shares of the Company or otherwise.
<b>Adjustment of dividend against call</b>	<b>166.</b>	Any General Meeting declaring a dividend or bonus may make a call on the members of such amounts as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and themselves, be set off against the call.
<b>Payment by cheque or warrant</b>	<b>167.</b>	<p>a. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through post directly 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 in the Register of Members or to such person and to such address of the holder as the joint holders may in writing direct.</p> <p>b. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p> <p>c. Every dividend or warrant or cheque shall be posted within thirty days from the date of declaration of the dividends.</p>
<b>Retention in certain cases</b>	<b>168.</b>	<p>The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become a member in respect thereof or shall duly transfer the same.</p> <p><b>Receipt of joint holders</b></p> <p>(A) Where any instrument of transfer of shares has been delivered to the Company for registration on holders, the Transfer of such shares and the same has not been registered by the Company, it shall, and notwithstanding anything contained in any other provision of the Act:</p> <p>a) transfer the dividend in relation to such shares to the Special Account referred to in Sections 123 and 124 of the Act, unless the Company is authorised by the registered holder, of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer, and</p> <p>b) Keep in abeyance in relation to such shares any offer of rights shares under Clause(a) of Sub-section (1) of Section 62 of the Act, and any issue of fully paid-up bonus shares in pursuance of Sub-section (3) of Section 123 of the Act”.</p>
<b>Deduction of arrears</b>	<b>169.</b>	Any one of two of the joint holders of a share may give effectual receipt for any dividend, bonus, or other money payable in respect of such share.
<b>Notice of Dividends</b>	<b>170.</b>	Notice of any dividend that may have been declared shall be given to the person entitled to share therein in the manner mentioned in the Act.
<b>Dividend not to</b>	<b>171.</b>	No dividend shall bear interest against the Company.

<b>bear interest</b>		
<b>Unclaimed Dividend</b>	<b>172.</b>	No unclaimed dividends shall be forfeited. Unclaimed dividends shall be dealt with in accordance to the provisions of Sections 123 and 124 of the Companies Act, 2013.
<b>Transfer of share not to pass prior Dividend</b>	<b>173.</b>	Any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.
<b>Capitalisation of Profits</b>	<b>174.</b>	<p><b>Capitalisation of Profits</b></p> <p>a. The Company in General Meeting, may on the recommendation of the Board, resolve:</p> <ol style="list-style-type: none"> <li>1. that the whole or any part of any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Fund or any money, investment or other asset forming part of the undivided profits, including profits or surplus moneys arising from the realisation and (where permitted by law) from the appreciation in value of any Capital assets of the Company standing to the credit of the General Reserve, Reserve or any Reserve Fund or any amounts standing to the credit of the Profit and Loss Account or any other fund of the Company or in the hands of the Company and available for the distribution as dividend capitalised; and</li> <li>2. that such sum be accordingly set free for distribution in the manner specified in Sub-clause (2) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion.</li> </ol> <p>b. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in Subclause (3) either in or towards:</p> <ol style="list-style-type: none"> <li>1. paying up any amount for the time being unpaid on any share held by such members respectively;</li> <li>2. paying up in full unissued shares of the Company to be allotted and distributed and credited as fully paid-up to and amongst such members in the proportion aforesaid; or</li> <li>3. partly in the way specified in Sub-clause (i) and partly in that specified in Sub-clause (ii).</li> </ol> <p>c. A share premium account and a capital redemption reserve account may for the purpose of this regulation be applied only in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.</p> <p>d. The Board shall give effect to resolutions passed by the Company in pursuance of this Article.</p>
<b>Powers of Directors for declaration of Bonus</b>	<b>175.</b>	<p>a. Whenever such a resolution as aforesaid shall have been passed, the Board shall:</p> <ol style="list-style-type: none"> <li>1. make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue or fully paid shares if any; and</li> <li>2. generally do all acts and things required to give effect thereto.</li> </ol> <p>b. The Board shall have full power:</p> <ol style="list-style-type: none"> <li>1. to make such provision by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit in the case of shares becoming distributable in fractions and also;</li> <li>2. 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 the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on the existing shares.</li> </ol> <p>c. Any agreement made under such authority shall be effective and binding on all such members.</p>

<b>ACCOUNTS</b> <b>Books of account to be kept</b>	<b>176.</b>	<p>a. The Board shall cause proper books of accounts to be kept in respect of all sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place, of all sales and purchases of goods by the Company, and of the assets and liabilities of the Company.</p> <p>b. All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch as the case may be, with respect to the matters aforesaid, and explain in transactions.</p> <p>c. The books of accounts shall be open to inspection by any Director during business hours.</p>
<b>Where books of account to be kept</b>	<b>177.</b>	The books of account shall be kept at the Registered Office or at such other place as the Board thinks fit.
<b>Inspection by members</b>	<b>178.</b>	The Board shall, from time to time, determine whether and to what extent and at what time and under what conditions or regulations the accounts and books and documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspection any account or book or document of the Company except as conferred by statute or authorised by the Board or by a resolution of the Company in General Meeting.
<b>Statement of account to be furnished to General Meeting</b>	<b>179.</b>	The Board shall lay before such Annual General Meeting, financial statements made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or such extension of time as shall have been granted by the Registrar under the provisions of the Act.
<b>Financial Statements</b>	<b>180.</b>	Subject to the provisions of Section 129, 133 of the Act, every financial statements of the Company shall be in the forms set out in Parts I and II respectively of Schedule III of the Act, or as near thereto as circumstances admit.
<b>Authentication of Financial Statements</b>	<b>181.</b>	<p>a. Subject to Section 134 of the Act, every financial statements of the Company shall be signed on behalf of the Board by not less than two Directors.</p> <p>b. The financial statements shall be approved by the Board before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report thereon.</p>
<b>Auditors Report to be annexed</b>	<b>182.</b>	The Auditor's Report shall be attached to the financial statements.
<b>Board's Report to be attached to Financial Statements</b>	<b>183.</b>	<p>a. Every financial statement laid before the Company in General Meeting shall have attached to it a report by the Board with respect to the state of the Company's affairs, the amounts, if any, which it proposes to carry to any reserve either in such Balance Sheet or in a subsequent Balance Sheet and the amount, if any, which it recommends to be paid by way of dividend.</p> <p>b. The report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to its business or that of any of its subsidiaries, deal with any change which has occurred during the financial year in the nature of the Company's business or that of the Company's subsidiaries and generally in the classes of business in which the Company has an interest and material changes and commitments, if any, affecting the financial position of the Company which has occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the report.</p> <p>c. The Board shall also give the fullest information and explanation in its report or in case falling under the provision of Section 134 of the Act in an addendum to that Report on every reservation, qualification or adverse remark contained in the Auditor's Report.</p> <p>d. The Board's Report and addendum, if any, thereto shall be signed by its Chairman if he is authorised in that behalf by the Board; and where he is not authorised, shall be signed by such number of Directors as is required to sign the Financial Statements of the Company under Article 181.</p> <p>e. The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of Sub-clauses (a) to (e) of this Article are complied with.</p>

<b>Right of member to copies of Financial Statements</b>	<b>184.</b>	The Company shall comply with the requirements of Section 136.
<b>Annual Returns</b>	<b>185.</b>	The Company shall make the requisite annual return in accordance with Section 92 of the Act.
<b>AUDIT</b>	<b>186.</b>	<p><b>Accounts to be audited</b></p> <p>a. Every Financial Statement shall be audited by one or more Auditors to be appointed as hereinafter mentioned.</p> <p>b. Subject to provisions of the Act, The Company at the Annual General Meeting shall appoint an Auditor or Firm of Auditors to hold office from the conclusion of that meeting until the conclusion of the fifth Annual General Meeting and shall, within seven days of the appointment, give intimation thereof to every Auditor so appointed unless he is a retiring Auditor.</p> <p>c. At every Annual General Meeting, reappointment of such auditor shall be ratified by the shareholders.</p> <p>d. Where at an Annual General Meeting no Auditors are appointed or reappointed, the Central Government may appoint a person to fill the vacancy.</p> <p>e. The Company shall, within seven days of the Central Government's power under Sub-clause (d) becoming exercisable, give notice of that fact to that Government.</p> <p>f. 1. The first Auditor or Auditors of the Company shall be appointed by the Board of Directors within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.</p> <p>Provided that the Company may at a General Meeting remove any such Auditor or all or any of such Auditors and appoint in his or their places any other person or persons who have been nominated for appointment by any such member of the Company and of whose nomination notice has been given to the members of the Company, not less than 14 days before the date of the meeting; and</p> <p>2. If the Board fails to exercise its power under this Sub-clause, the Company in General Meeting may appoint the first Auditor or Auditors.</p> <p>g. The Directors may fill any casual vacancy in the office of an Auditor, but while any such vacancy continues, the remaining Auditor or Auditors, if any, may act, but where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.</p> <p>h. A person other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless Special Notice of a resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days before the meeting in accordance with Section 115 of the Act and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the members in accordance with Section 190 of the Act and all other provisions of Section 140 of the Act shall apply in the matter. The provisions of this Sub-clause shall also apply to a resolution that retiring Auditor shall be reappointed.</p> <p>i. The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Act.</p> <p>j. Subject to the provisions of Section 146 of the Act, the Auditor of the company shall attend general meetings of the company.</p>
<b>Audit of Branch Offices</b>	<b>187.</b>	The Company shall comply with the provisions of Section 143 of the Act in relation to the audit of the accounts of Branch Offices of the Company.
<b>Remuneration of Auditors</b>	<b>188.</b>	The remuneration of the Auditors shall be fixed by the Company in General Meeting except that the remuneration of any Auditor appointed to fill and casual vacancy may be fixed by the Board.
<b>Rights and duties of Auditors</b>	<b>189.</b>	a. Every Auditor of the Company shall have a right of access at all times to the books of accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information and explanations as may be necessary for the performance of his duties as Auditor.

		<p>b. All notices of, and other communications relating to any General Meeting of a Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor, and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.</p> <p>c. The Auditor shall make a report to the members of the Company on the accounts examined by him and on Financial statements and on every other document declared by this Act to be part of or annexed to the Financial statements, which are laid before the Company in General Meeting during his tenure of office, and the report shall state whether, in his opinion and to the best of his information and according to explanations given to him, the said accounts give the information required by this Act in the manner so required and give a true and fair view:</p> <ol style="list-style-type: none"> <li>1. in the case of the Balance Sheet, of the state of affairs as at the end of the financial year and</li> <li>2. in the case of the Statement of Profit and Loss, of the profit or loss for its financial year.</li> </ol> <p>d. The Auditor's Report shall also state:</p> <ol style="list-style-type: none"> <li>(a) whether he has sought and obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit and if not, the details thereof and the effect of such information on the financial statements;</li> <li>(b) whether, in his opinion, proper books of account as required by law have been kept by the company so far as appears from his examination of those books and proper returns adequate for the purposes of his audit have been received from branches not visited by him;</li> <li>(c) whether the report on the accounts of any branch office of the company audited under sub-section (8) by a person other than the company's auditor has been sent to him under the proviso to that sub-section and the manner in which he has dealt with it in preparing his report;</li> <li>(d) whether the company's balance sheet and profit and loss account dealt with in the report are in agreement with the books of account and returns;</li> <li>(e) whether, in his opinion, the financial statements comply with the accounting standards;</li> <li>(f) the observations or comments of the auditors on financial transactions or matters which have any adverse effect on the functioning of the company;</li> <li>(g) whether any director is disqualified from being appointed as a director under sub-section (2) of section 164;</li> <li>(h) any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith;</li> <li>(i) whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;</li> <li>(j) whether the company has disclosed the impact, if any, of pending litigations on its financial position in its financial statement;</li> <li>(k) whether the company has made provision, as required under any law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;</li> <li>(l) whether there has been any delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.</li> </ol> <p>e. Where any of the matters referred to in Clauses (i) and (ii) of Sub-section (2) of Section 143 of the Act or in Clauses (a), (b) and (c) of Sub-section (3) of Section 143 of the Act or Sub-clause (4) (a) and (b) and (c) hereof is answered in the negative or with a qualification, the Auditor's Report shall state the reason for such answer.</p> <p>f. The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.</p>
<b>Accounts whether audited and approved to be</b>	<b>190.</b>	Every account of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the

<b>conclusive</b>		accounts shall forthwith be corrected, and henceforth be conclusive.
<b>Service of documents on the Company</b>	<b>191.</b>	A document may be served on the Company or any officer thereof by sending it to the Company or officer at the Registered Office of the Company by Registered Post, or by leaving it at the Registered Office or in electronic mode in accordance with the provisions of the act.
<b>How documents to be served to members</b>	<b>192.</b>	<p>a. A document (which expression for this purpose shall be deemed to included and shall include any summons, notice, requisition, process, order judgement or any other document in relation to or the winding up of the Company) may be served personally or by sending it by post to him to his registered address or in electronic mode in accordance with the provisions of the act., or (if he has no registered address in India) to the address, if any, within India supplied by him to the Company for the giving of notices to him.</p> <p>b. All notices shall, with respect to any registered shares to which persons are entitled jointly, be given to whichever of such persons is named first in the Register, and notice so given shall be sufficient notice to all the holders of such shares.</p> <p>c. Where a document is sent by post:</p> <p>i. service thereof shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice, provided that where a member has intimated to the Company in advance that documents should be sent to him under a Certificate of Posting or by Registered Post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents shall not be deemed to be effected unless it is sent in the manner intimated by the member, and such service shall be deemed to have been effected;</p> <p>a. in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the notice is posted, and</p> <p>b. in any other case, at the time at which the letter should be delivered in the ordinary course of post.</p>
<b>Members to notify address in India</b>	<b>193.</b>	Each registered holder of share(s) shall, from time to time, notify in writing to the Company some place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.
<b>Service on members having no registered address in India</b>	<b>194.</b>	If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him, a document advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.
<b>Service on persons acquiring shares on death or insolvency of members</b>	<b>195.</b>	A document may be served by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of deceased or assignees of the insolvent or by any like descriptions at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.
<b>Notice valid though member deceased</b>	<b>196.</b>	Any notice of document delivered or sent by post or left at the registered address of any member in pursuance of these presents shall, notwithstanding that such member by then deceased and whether or not the Company has notice of his decease, be deemed to have been duly served in respect of any registered share whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or on her heirs, executors or administrators, and all other persons, if any, jointly interested with him or her in any such share.

<b>Persons entitled to Notice of General Meeting</b>	<b>197.</b>	197. Subject to the provisions of Section 101 the Act and these Articles, notice of General Meeting shall be given to; (a) every member of the company, legal representative of any deceased member or the assignee of an insolvent member; (b) the auditor or auditors of the company; and (c) every director of the company. Any accidental omission to give notice to, or the non-receipt of such notice by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.
<b>Advertisement</b>	<b>198.</b>	a. Subject to the provisions of the Act, any document required to be served on or sent to the members, or any of them by the Company and not expressly provided for by these presents, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district where the Registered Office of the Company is situated. b. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered in the Register shall be duly given to the person from whom he derived his title to such share or stock.
<b>Transference, etc. bound by prior notices</b>	<b>199.</b>	Every person, who by the operation of law, transfer, or other means whatsoever, shall become entitled to any share, shall be bound by every document in respect of such share which previously to his name and address being entered in the Register, shall have been duly served on or sent to the person from whom he derives his title to the share.
<b>How notice to be signed</b>	<b>200.</b>	Any notice to be given by the Company shall be signed by the Managing Director or by such Director or officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.
<b>AUTHENTICATI ON OF DOCUMENTS</b>	<b>201.</b>	<b>Authentication of document and proceeding</b> Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director, or the Managing Director or an authorised officer of the Company and need not be under its seal.
<b>Winding up</b>	<b>202.</b>	Subject to the provisions of the Act as to preferential payments, the assets of a Company shall, on its winding-up be applied in satisfaction of its liabilities pari-passu and, subject to such application, shall, unless the articles otherwise provide, be distributed among the members according to their rights and interests in the Company.
<b>Division of assets of the Company in specie among members</b>	<b>203.</b>	If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution, divide among the contributories, in specie or kind, and part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidators with the like sanction shall think fit. In case any shares, to be divided as aforesaid involves a liability to calls or otherwise, any person entitled under such division to any of the said shares may, within ten days after the passing of the Special Resolution by notice in writing, direct the liquidators to sell his proportion and pay him the net proceeds, and the liquidators shall, if practicable, act accordingly.



<b>INDEMNITY AND RESPONSIBILITY</b>	<b>204.</b>	<p><b>Directors' and others' right to indemnity</b></p> <p>a. Subject to the provisions of Section 197 of the Act every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses, and expenses (including travelling expenses) which Service of documents on the Company any such Director, officer or employee may incur or becomes liable to by reason of any contract entered into or act or deed done by him or any other way in the discharge of his duties, as such Director, officer or employee.</p> <p>b. Subject as aforesaid, every Director, Manager, Secretary, or other officer/employee of the Company shall be indemnified against any liability, incurred by them or him in defending any proceeding whether civil or criminal in which judgement is given in their or his favour or in which he is acquitted or discharged or in connection with any application under Section 463 of the Act in which relief is given to him by the Court and without prejudice to the generality of the foregoing, it is hereby expressly declared that the Company shall pay and bear all fees and other expenses incurred or incurable by or in respect of any Director for filing any return, paper or document with the Registrar of Companies, or complying with any of the provisions of the Act in respect of or by reason of his office as a Director or other officer of the Company.</p>
	<b>205.</b>	<p>Subject to the provisions of Section 197 of the Act, no Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer, or for joining in any receipt or other act for conformity for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company, or for the insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any money invested, or for any loss or damages arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part of for any loss or damage or misfortune whatever, which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own act or default.</p>
<b>SECRECY CLAUSE</b>	<b>206.</b>	<p>a. No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or Managing Director or to require discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, will be inexpedient in the interests of the Company to communicate to the public.</p> <p>b. Every Director, Managing Director, Manager, Secretary, Auditor, Trustee, Members of a Committee, Officers, Servant, Agent, Accountant or other person employed in the business of the Company, shall, if so required by the Directors before entering upon his duties, or at any time during his term of office sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the state of accounts and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of duties except when required so to do by the Board or by any General Meeting or by a Court of Law or by the persons to whom such matters relate and except so far as may be necessary, in order to comply with any of the provisions contained in these Articles.</p>

<b>REGISTERS, INSPECTION AND COPIES THEREOF</b>	<b>207.</b>	<p>a. Any Director or Member or person can inspect the statutory registers maintained by the company, which may be available for inspection of such Director or Member or person under provisions of the act by the company, provided he gives fifteen days notice to the company about his intention to do so.</p> <p>b. Any ,Director or Member or person can take copies of such registers of the company by paying Rs. 10 per page to the company. The company will take steps to provide the copies of registers to such person within Fifteen days of receipt of money.</p>
<b>GENERAL AUTHORITY</b>	<b>208.</b>	Wherever in the applicable provisions under the Act, it has been provided that, any Company shall have any right, authority or that such Company could carry out any transaction only if the Company is authorised by its Articles, this regulation hereby authorises and empowers the Company to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any specific regulation or clause in that behalf in this articles.

## SECTION X – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of the Draft Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Draft Prospectus will be delivered to the ROC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at F-806 Titanium City Center, Nr. Sachin Towers, 100 Feet Ring Road, Anand Nagar Road, Satellite, Ahmedabad - 380015, Gujarat, India from date of filing the Draft Prospectus with ROC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

#### Material Contracts

1. Issue Agreement dated October 03, 2017 between our Company and the Lead Manager.
2. Agreement dated October 04, 2017 between our Company and the Registrar to the Issue.
3. Underwriting Agreement dated October 03, 2017 between our Company, the Lead Manager, and Underwriter.
4. Market Making Agreement [•] dated between our Company, Lead Manager and Market Maker.
5. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated September 25, 2017.
6. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated September 26, 2017.
7. Banker's to the Issue Agreement [•] dated between our Company, the Lead Manager, Escrow Collection Bank and the Registrar to the Issue.

#### Material Documents

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Board resolution dated May 13, 2017 and special resolution passed pursuant to Section 62(1)(C) of the Companies Act, 2013 at the EGM by the shareholders of our Company held on May 24, 2017.
3. Statement of Tax Benefits dated September 14, 2017 issued by M/s. Doshi Maru & Associates, Chartered Accountants.
4. Copy of Restated Audit report from the peer review certified auditor, M/s Doshi Maru & Associates, Chartered Accountants, dated October 03, 2017 included in the Draft Prospectus.
5. Copy of Certificate from the Auditor dated October 03, 2017, regarding the source and deployment of funds as on September 27, 2017.
6. Copies of Audit Report and Annual reports of the Company for the period ended September 5, 2017 and for the years ended March 31, 2017, 2016, 2015, 2014.
7. Consents of Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditors, Legal Advisor to the Issue, Lead Manager, Underwriter and Registrar to the Issue to include their names in the Draft Prospectus to act in their respective capacities.
8. Share Subscription Agreement dated September 6, 2016 with Three D Enterprises Private Limited.

9. Due Diligence Certificate dated October 10, 2017 from the Lead Manager.
10. Copy of Resolutions dated May 13, 2017 and Agreements of their appointment dated May 13, 2017 for fixing the remuneration of Mr. Anirvan Dam as a Managing Director
11. Copy of Approval dated [●] from the SME Platform of BSE.

Any of the contracts or documents mentioned in the 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, with the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## SECTION XI

### DECLARATION

All the relevant provisions of the Companies Act, 1956 / Companies Act, 2013 (to the extent notified) and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 1956 / Companies Act, 2013 (to the extent notified) the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued, as the case may be. We further certify that all statements in this Draft Prospectus are true and correct.

**Signed by the Directors of the Company:**

Name	Designation	Signature
Mr. Anirvan Amitava Dam	Chairman & Managing Director	
Mrs. Pallavi Anirvan Dam	Non Executive Director & Non Independent	
Dr. Nihar Pankaj Parekh	Independent Director	
Dr. Nishchal Bhatt	Independent Director	

**Signed by:**

Name	Designation	Signature
Ms. Falguni Dhrumil Shah	Company Secretary & Compliance Officer	
Mrs. Pallavi Anirvan Dam	Chief Financial Officer	

**Place: Ahmedabad**

**Date: October 10, 2017**