



**GIAN LIFE CARE LIMITED**  
 Corporate Identity Number: - U85100UP2018PLC110119

Our Company was incorporated as a public limited company under the Companies Act, 2013 and registered with the Registrar of Companies, Uttar Pradesh, Kanpur, pursuant to a certificate of incorporation dated November 06, 2018. Subsequently, our Company has acquired the entire business of M/s Gian Pathology & X-Ray w.e.f. March 01, 2019 vide the Business Transfer Agreement executed on March 01st, 2019. For information relating to business operations of the Company, please refer to chapter titled "Our Business" beginning on page 78 of this Draft Prospectus.

**Registered Office:** 7/216 (6) Swaroop Nagar, Kanpur, Uttar Pradesh- 208002 India  
**Tel No:** + 91-0512-2531860; **E-mail:** info@gianpathlabs.com; **Website:** www.gianpathlabs.com;  
**CONTACT PERSON: MS. ASTHA CHATURVEDI, (COMPANY SECRETARY & COMPLIANCE OFFICER)**  
**PROMOTER OF OUR COMPANY: MR. ARUN KUMAR GUPTA**

<b>THE ISSUE</b>	
<p><b>PUBLIC ISSUE OF UPTO 14,16,000 EQUITY SHARES OF FACE VALUE OF RS. 10.00/- EACH ("EQUITY SHARES") OF GIAN LIFE CARE LIMITED ("THE COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE, INCLUDING A PREMIUM OF RS [●]/- PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING RS. [●] LAKHS ("THE ISSUE"), OF WHICH [●] EQUITY SHARES OF FACE VALUE OF RS. 10.00/- FOR CASH AT A PRICE OF RS. [●]/- EACH AGGREGATING [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF RS. 10.00 EACH FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE, AGGREGATING TO RS. [●] LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 30.12% AND [●] %, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY</b></p>	
<p><b>THE FACE VALUE OF THE EQUITY SHARE IS RS. 10 EACH AND THE ISSUE PRICE RS [●] IS [●] TIMES OF THE FACE VALUE OF THE EQUITY SHARES</b></p>	
<p><b>THE ISSUE IS BEING MADE IN TERMS OF CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS 2018, ("THE SEBI ICDR REGULATIONS") AS AMENDED. IN TERMS OF RULE 19(2)(b)(i) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED (THE "SCRR") THE ISSUE IS BEING MADE FOR AT LEAST 25% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE ISSUE IS BEING MADE THROUGH THE FIXED PRICE ISSUE AND WILL BE MADE IN TERMS OF REGULATION 253 OF THE SEBI (ICDR) REGULATIONS, AS AMENDED. FOR FURTHER DETAILS PLEASE REFER "ISSUE PROCEDURE" ON PAGE 172 OF THIS DRAFT PROSPECTUS.</b></p> <p>In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to the chapter titled "Issue Procedure" beginning on page 172 of this Draft Prospectus. A copy will be delivered for registration to the Registrar of companies as required under Section 26 of the Companies Act, 2013.</p>	
<b>ELIGIBLE INVESTORS</b>	
<p>For details in relation to the eligible investors, please refer to section titled "Issue Procedure" beginning on page 172 of this Draft Prospectus.</p>	
<b>RISK IN RELATION TO THE FIRST ISSUE</b>	
<p>This being the first public issue of our Company, there has been no formal market for our Equity Shares of the Company. The face value of the Equity Shares is Rs. 10 and the issue price of Rs. [●] per Equity Share i.e. [●] time of the face value. The issue price (as determined by our Company in consultation with the Lead Manager and as stated in the chapter titled on "Basis for Issue Price" beginning on page 67 of this Draft Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of the Company or regarding the price at which the equity shares will be traded after listing.</p>	
<b>GENERAL RISKS</b>	
<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 Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Draft Prospectus. <b>Specific attention of the investors is invited to the section titled 'Risk Factors' beginning on page 21 of this Draft Prospectus.</b></p>	
<b>ISSUER'S ABSOLUTE RESPONSIBILITY</b>	
<p>Our Company having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and this Issue, which is material in the context of this Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this 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>	
<b>LISTING</b>	
<p>The Equity Shares of our Company offered through this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited ("BSE SME"). Our Company has received in-principle 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, BSE Limited shall be the designated Stock Exchange.</p>	
<b>LEAD MANAGER TO THE ISSUE</b>	<b>REGISTRAR TO THE ISSUE</b>
 <p><b>Hem Securities Ltd</b></p>	 <p><b>CAMEO</b></p>
<p><b>HEM SECURITIES LIMITED</b>                  904-A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road,                  Lower Parel, Mumbai - 400013, India  <b>Tel. No.:</b> +91- 022-49060000, Fax No. - +91 - 022 - 22625991  <b>Website:</b> <a href="http://www.hemsecurities.com">www.hemsecurities.com</a>  <b>Email:</b> <a href="mailto:jb@hemsecurities.com">jb@hemsecurities.com</a>  <b>Investor Grievance Email:</b> <a href="mailto:redressal@hemsecurities.com">redressal@hemsecurities.com</a>  <b>Contact Person:</b> Mr. Anil Bhargava  <b>SEBI Regn.No.</b> INM000010981</p>	<p><b>CAMEO CORPORATE SERVICES LTD.</b>                  Submaramanian Building, 1 Club House Road,                  Chennai 600 002.  <b>Tel No.:</b> +91-44-40020700  <b>Fax No.:</b> +91-44-2846 0129  <b>E-mail :</b> <a href="mailto:cameo@cameoindia.com">cameo@cameoindia.com</a>; <a href="mailto:investor@cameoindia.com">investor@cameoindia.com</a>  <b>Website:</b> <a href="http://www.cameoindia.com">www.cameoindia.com</a>  <b>Contact Person:</b> Mr. R. D. Ramasamy  <b>SEBI Registration No:</b> INR000003753</p>
<b>ISSUE PROGRAMME</b>	
<b>ISSUE OPENS ON: [●]</b>	<b>ISSUE CLOSES ON: [●]</b>

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or our Articles of Association, Memorandum of Association, policies shall be to such legislation, act or regulation, as amended from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Prospectus but not defined herein shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in “*Statement of Tax Benefits*”, “*Financial Information*”, “*Main Provisions of Articles of Association*”, “*Outstanding Litigation and Material Developments*” and “*Key Industry Regulations and Policies*” beginning on pages 70, 113, 191, 147 & 87 respectively, shall have the meaning ascribed to such terms in these respective sections.

#### General Terms

Term	Description
“Gian Life Care Limited”/ “Gian Life”/ “the Company” / “the Issuer”/ “GLCL” / “We” / “Us” / “our Company”	Unless the context otherwise indicates or implies, refers to Gian Life Care Limited, a public limited company incorporated under the provisions of the Companies Act, 2013 with its registered office at 7/216 (6) Swaroop Nagar, Kanpur, Uttar Pradesh-208002 India.
“you”, “your” or “yours”	Prospective investors in this Issue

#### Company related terms

Term	Description
AOA / Articles / Articles of Association	Articles of Association of Gian Life Care Limited, as amended from time to time.
Associate Companies	A body corporate in which any other company has a significant influence, but which is not a subsidiary of the company having such influence and includes a joint venture company.
Auditors/ Statutory Auditors	The Auditors of Gian Life Care Limited being M/s P. D. Dalal & Co., Chartered Accountants.
Audit Committee	The Committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Bankers to the Company	[●]
Board of Directors / the Board / our Board	The Board of Directors of Gian Life Care Limited, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled “Our Management” beginning on page 97 of this Draft Prospectus.
Chief Financial Officer/CFO	The Chief financial Officer of our Company being Mrs. Avani Gupta.
Companies Act / Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Ms. Astha Chaturvedi.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified.
Equity Shares	Equity Shares of the Company of Face Value of Rs. 10/- each unless otherwise specified in the context thereof.
Equity Shareholders/ Shareholders	Persons/ Entities holding Equity Shares of our Company.

Executive Director	An Executive Director of our Company.
Fugitive Economic Offender	Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offender Act, 2018 (17 of 2018)
GIR Number	General Index Registry Number
Group Companies/ Group Company	The word “group companies”, wherever it occurs, shall include such Companies as (other than promoter(s)) with whom there are related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards and also other companies as considered material by the board of the company as disclosed in “ <i>Our Group Company</i> ” promoted by the Promoter on page 153 of this Draft Prospectus.
Independent Director	A Non- executive, Independent Director as per the Companies Act, 2013 and the Listing Regulations
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	International Securities Identification Number. In this case being – INE063601012
IT Act	The Income Tax Act, 1961 as amended till date
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of the Regulation 2(1)(bb) of the SEBI (ICDR) Regulations 2018 and the Companies Act, 2013. For details, see section entitled “ <i>Our Management</i> ” on page 97 of this Draft Prospectus.
JV/ Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
MD or Managing Director	The Managing Director of our Company, Mr. Arun Kumar Gupta
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on April 12, 2019, in accordance with the requirements of the SEBI (ICDR) Regulations
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Gian Life Care Limited as amended from time to time.
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board constituted in accordance the Companies Act, 2013 and the Listing Regulations
Non- Executive Director	A Director not being an Executive Director or an Independent Director
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoter/ Promoters	Shall mean promoter of our Company i.e. Mr. Arun Kumar Gupta
Promoter Group	Includes such Persons and entities constituting our promoter group covered under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 as enlisted in the section titled “ <i>Our Promoter and Promoter Group</i> ” beginning on page 109 of this Draft Prospectus.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office and Corporate Office	Registered Office of our Company is located at 7/216 (6) Swaroop Nagar, Kanpur, Uttar Pradesh-208002, India.
Reserve Bank of India/RBI	Reserve Bank of India constituted under the RBI Act.
Restated Financial Statements/ Restated Financial Information	The financial statements of our Company’s assets and liabilities as at March 31, 2019 and April 30, 2019 and the statements of profit and loss and cash flows for the period ended March 31, 2019 and April 30, 2019, of our Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Revised Guidance Note on Reports in Company Prospectuses (Revised) issued by the ICAI, together with the schedules, notes and annexure thereto.
RoC/ Registrar of Companies	Registrar of Companies, Uttar Pradesh, Kanpur
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.

SEBI (ICDR) Regulations /ICDR Regulation/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations, 2015/SEBI Listing Regulations/Listing Regulations/SEBI (LODR)	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
Stakeholder's Relationship Committee	Stakeholder's relationship committee of our Company constituted in accordance with Regulation 20 of the SEBI (LODR) Regulations and Companies Act, 2013
Stock Exchange	Unless the context requires otherwise, refers to, BSE India Limited (BSE SME)
Sub- Account	Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Subscriber to MOA	Initial Subscribers to MOA & AOA being Mr. Arun Kumar Gupta, Mrs. Avani Gupta, Mr. Devang Agarwal, Ms. Rashika Agarwal, Mr. Manjeet Singh, Mr. Pravin Tomar and Ms. Akanksha Gupta.

#### Issue related terms

Terms	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an applicant as proof of registration of the Application.
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Applicants.
Allotment/Allot/Allotted	Unless the context otherwise requires, means the allotment of Equity Shares, pursuant to the Issue to the successful applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges
Allottee (s)	A successful applicant to whom the Equity Shares are allotted.
Applicant/ Investor	Any prospective investor who makes an application pursuant to the terms of the Draft Prospectus and the Application form.
Application Amount	The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of Draft Prospectus.
Application Form	The form, whether physical or electronic, used by an Applicant to make an application, which will be considered as the application for Allotment for purposes of this Draft Prospectus.
Application Supported by Block Amount (ASBA)	An application, whether physical or electronic, used by all applicants to make an application authorizing a SCSB to block the application amount in the ASBA Account maintained with the SCSB. Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all the investors shall apply through ASBA process only.
ASBA Account	Account maintained by the ASBA Investor with an SCSB which will be blocked by such SCSB to the extent of the Application Amount of the ASBA Investor.
Bankers to the Issue/ Public Issue Bank/ Sponsor Bank	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being [●]

Banker to the Issue Agreement	Agreement dated [●] entered into amongst the Company, Lead Manager, the Registrar, Sponsor Bank and the Banker to the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful applicants under the issue and which is described in the chapter titled “ <i>Issue Procedure</i> ” beginning on page 172 of this Draft Prospectus.
Broker Centers	Broker centres notified by the Stock Exchanges, where the investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the LM, the Registrar to the Issue and the Stock Exchange.
Demographic Details	The demographic details of the applicants such as their Address, PAN, name of the applicants father/husband, investor status, Occupation and Bank Account details.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
Designated Date	On the Designated Date, the amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Issue Account and/ or unblocked in terms of the Draft Prospectus
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the Applicant and a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> . Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated Intermediaries/Collecting Agent	An SCSB’s with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity)
Designated Market Maker	[●]
Designated Stock Exchange	BSE Limited (SME Exchange) (“BSE SME”)
DP ID	Depository Participant’s Identity Number
Draft Prospectus	Draft Prospectus dated July 05, 2019 issued in accordance with Section 26 of the Companies Act, 2013.
Eligible NRI	A Non Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Draft Prospectus will constitute an invitation to subscribe for the Equity Shares.
Equity Shares	Equity Shares of our Company of face value ₹10.00 each

Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity shares issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
FII/ Foreign Institutional Investors	Foreign Institutional Investor as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by the SEBI.
Issue Agreement	The Agreement dated June 24, 2019 between our Company and LM
Issue/Public Issue/Initial Public Offering/ IPO	The Public Issue upto 14,16,000 Equity shares of ₹ 10/- each at issue price of ₹ [●]/- per Equity share, including a premium of ₹ [●]/- per equity share aggregating to ₹ [●] lakhs comprising of a Fresh Issue.
Issue Closing Date	The date after which the Lead Manager, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in a English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Issue Opening Date	The date on which the Lead Manager, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their Applications.
Issue Price	The Price at which the Equity Shares are being issued by our Company under this Draft Prospectus being Rs. [●] per equity share.
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 61 of this Draft Prospectus
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the Stock Exchange.
LM/Lead Manager	Lead Manager to the Issue, in this case being Hem Securities Limited (HSL).
Lot Size	[●]
Mandate Request	Mandate Request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
Market Maker	Member Brokers of BSE who are specifically registered as Market Makers with the BSE SME Platform. In our case, [●] is the sole Market Marker
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Lead Manager and

	Market Maker, [●]
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of ₹ 10each at an Issue price of ₹ [●] each is aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this issue.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] equity Shares of ₹10/- each at a price of ₹ [●] per Equity Share (the “Issue Price”), including a share premium of ₹ [●] per equity share aggregating to ₹ [●] Lacs.
Net Proceeds	The Issue Proceeds received from the fresh Issue excluding Issue related expenses. For further information on the use of Issue Proceeds and Issue expenses, please refer to the section titled “ <i>Objects of the Issue</i> ” beginning on page 61 of this Draft Prospectus.
Non-Institutional Investors	Investors other than Retail Individual Investors, NRIs and QIBs who apply for the Equity Shares of a value of more than ₹ 2,00,000/-
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body/ OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB’s) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Prospectus	The Prospectus, to be filed with the RoC in accordance with the provisions of Section 26 of the Companies Act, 2013, containing, <i>inter alia</i> , the Issue Price will be determined before filing the Prospectus with RoC
Public Issue Account	Account to be opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the Applicant, on the Designated Date.
Qualified Institutional Buyers/ QIBs	A Mutual Fund, Venture Capital Fund and Foreign Venture Capital Investor registered with the SEBI, a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with SEBI; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of ₹ 25.00 Crore; a pension fund with minimum corpus of ₹ 25.00 Crore; National Investment Fund set up by resolution No. F. No. 2/3/2005 – DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India and systemically important non-banking financial companies.
Registrar/ Registrar to the Issue/ RTA/ RTI	Registrar to the Issue being Cameo Corporate Services Ltd.
Registrar Agreement	The agreement dated April 04, 2019 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registered Broker	Individuals or companies registered with SEBI as “Trading Members”(except Syndicate/Sub-Syndicate Members) who hold valid membership either BSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on the website of the Stock Exchange.
Regulations	SEBI (Issue of Capital And Disclosure Requirements) Regulations, 2018as amended from time to time.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the



	SEBI (ICDR) Regulations, 2018.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Applications or any previous Revision Form(s).
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 DATED November 10, 2015 issued by SEBI.
SEBI SAST / SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Self-Certified Syndicate Bank(s) / SCSB(s)	Banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services of ASBA, including blocking of bank account, a list of which is available <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>
SME Exchange	SME Platform of the BSE i.e. BSE SME.
SEBI (PFUTP) Regulations/ PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
Specified Securities	Equity shares offered through this Draft Prospectus.
Transaction Registration Slip/ TRS	The slip or document issued by the member of the Syndicate or SCSB (only on demand) as the case may be, to the Applicant as proof of registration of the Application.
Underwriter	The LM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement [●] entered between the Underwriter, LM and our Company.
UPI	UPI is an instant payment system developed by the NCPI, it enables merging several banking features, seamless fund routing & merchant payment into one hood. UPI allow instant transfer of money between any two bank accounts using a payment address which uniquely identifies a person's bank account
UPI ID	ID created on Unified Payment Interface (UPI) for single window mobile payment system developed by the National Payment Corporation of India (NPCI)
UPI Mandate Request/ Mandate Request	A request (intimating the RII by way of notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Working Day	In accordance with Regulation 2(1)(mmm) of SEBI (ICDR) Regulations, 2018, working days means, all days on which commercial banks in Mumbai are open for business. However, in respect of– (a) announcement of Price Band; and (b) Issue period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.

### Technical/Industry Related Terms

Term	Description
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AFB	Acid- Fast Bacilli
BMD	Bone Density Test
CBC	Complete Blood Count
CPL	Central Processing Laboratory
CT scan	Computed Tomography Scan
ECG	Electrocardiogram
ECO	Echocardiogram
ERP	Enterprise Resource Planning
HIV	Human immunodeficiency virus
ISO	International Organization of Standardization
LAN	Local Area Network
LIMS	Laboratory Information Management System
LIS	Laboratory information system
NABL	National Accreditation Board for Testing and Calibration Laboratories
OPG	Orthopantomogram
PCR	Polymerase Chain Reaction
PNDT	Pre-Natal Diagnostic Techniques Act
TFT	Thyroid Function Test
TMT	Treadmill Test
WAN	Wide Area Network
WHO	World Health Organization
X-Ray	X-radiation

### Abbreviations

Abbreviation	Full Form
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
Amt	Amount
AOA	Articles of Association
Approx	Approximately
Arbitration Act	Arbitration and Conciliation Act, 1996
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BSE	BSE Limited (formerly known as Bombay Stock Exchange Limited)
CAD	Current Account Deficit
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Company Identification Number
CIT	Commissioner of Income Tax
Companies Act, 2013	Companies Act, 2013 to the extent in force pursuant to the notification of sections of the Companies Act, along with the relevant rules made thereunder as amended.
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions that have ceased upon notification of the Companies Act) along with the relevant rules made thereunder
C.P.C.	Code of Civil Procedure, 1908
DIN	Director Identification Number
DP	Depository Participant
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortization

ECS	Electronic Clearing System
ESI Act	Employees State Insurance Act, 1948
EOGM/EGM	Extraordinary General Meeting
EMDEs	Emerging Market and Developing Economies
EMI	Equated Monthly Instalment
EPFA	Employee's Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
ESIC	Employee's State Insurance Corporation
ESOP	Employee Stock Option Plan
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
FI	Financial Institutions
FV	Face Value
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GoI/Government	Government of India
GST	Goods and Services Tax
HSL	Hem Securities Limited
HUF	Hindu Undivided Family
IBC	The Insolvency and Bankruptcy Code, 2016
I.T. Act	Income-tax Act, 1961, as amended from time to time
ICAI	The Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries Of India
IFRS	International Financial Reporting Standards
IPO	Initial Public Offering
ISIN	International Securities Identification Number
IST	Indian Standard Time
KM / Km / km	Kilo Meter
KMP	Key Managerial Personnel
LLP	Limited Liability Partnership
Ltd	Limited
MBBS	Bachelor of Medicine and Bachelor of Surgery
MD-Pathologist	Doctor of Medicine in Pathology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
Mn	Million
MSME	Micro, Small and Medium Enterprises
MOU	Memorandum of Understanding
NA	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NEFT	National Electronic Funds Transfer
N.I. Act	Negotiable Instruments Act, 1881
NOC	No Objection Certificate
NRE Account	Non Resident External Account
NRI	Non Resident Indians

NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
p.a.	per annum
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
P/E Ratio	Price/Earnings Ratio
PF	Provident Fund
PLR	Prime Lending Rate
Pvt	Private
RBI	The Reserve Bank of India
ROE	Return on Equity
RONW	Return on Net Worth
Rs. or ₹	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
Sec./ S.	Section
Securities Act	U.S. Securities Act of 1933, as amended
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
TIN	Taxpayers Identification Number
UIN	Unique Identification Number
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
VAT	Value Added Tax
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
WDV	Written Down Value
w.e.f.	With effect from
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI (ICDR) Regulations, 2018.
- or ( )	Represents outflow

The words and expressions used but not defined in this Draft Prospectus will have the same meaning as assigned to such terms under the Companies Act, 1956 & Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Depositories Act and the rules and regulations made thereunder.

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

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

### **Certain Conventions**

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

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

### **Use of Financial Data**

Unless stated otherwise, throughout this Draft Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in this Draft Prospectus is derived from our financial statements prepared and restated for the period from the date of incorporation of the company and ending with March 31, 2019 and for the period from April 01, 2019 to April 30, 2019, prepared in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled “*Financial Information of the Company*” beginning on page 113 of this Draft Prospectus. As on the date of this Draft Prospectus, our Company has no subsidiaries. Accordingly, financial information relating to us are prepared and presented on Standalone basis only. Our fiscal year commences on April 1 of every year and ends on March 31st of every next year.

There are significant differences between Indian GAAP, the International Financial Reporting Standards (“IFRS”) and the Generally Accepted Accounting Principles in the United States of America (“U.S. GAAP”). Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in this Draft Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated, set out in section titled “*Financial Information of the Company*” beginning on page 113 of this Draft Prospectus .

For additional definitions used in this Draft Prospectus, see the section “*Definitions and Abbreviations*” on page 1 of this Draft Prospectus. In the section titled “*Main Provisions of Articles of Association*”, beginning on page 191 of this Draft Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

### **Use of Industry & Market Data**

Unless stated otherwise, industry and market data and forecast used throughout the Draft Prospectus was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

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

industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI (ICDR) Regulations, the section titled “*Basis for Issue Price*” beginning on page 67 of this Draft Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the LM, have independently verified such information.

### **Currency of Financial Presentation**

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

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Conditions and Results of Operation*” on page 21, 78 &138 respectively in this Draft Prospectus, unless otherwise indicated, have been calculated based on our restated respectively financial statement prepared in accordance with Indian GAAP.

## FORWARD LOOKING STATEMENTS

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

All statements regarding our expected financial condition and results of operations, business, plans, objectives, strategies, goals and prospects are forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results and property valuations to differ materially from those contemplated by the relevant forward looking statement.

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

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

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

For further discussion of factors that could cause our actual results to differ, see the Section titled “*Risk Factors*”; “*Our Business*” & “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 21, 78 & 138 respectively of the Draft Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Neither our Company, our Directors, our Officers, Lead Manager and Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.



## SECTION II

### SUMMARY OF THE DRAFT PROSPECTUS

#### **PRIMARY BUSINESS OF THE COMPANY**

Our Company was incorporated on November 06, 2018, under the provision of Companies Act, 2013 by Registrar of Companies, Kanpur. On March 01, 2019 the company took over the business of Gian Pathology and X-Rays, proprietorship of our promoter Arun Kumar Gupta. We are primarily engaged in the business of providing diagnostic and related healthcare tests and services in Kanpur and nearby areas. We provide broad range of diagnostic and related healthcare tests and services such as, patient diagnosis, prevention and wellness diagnosis services to our patients and healthcare providers. Our customers include individual patients, hospitals, other healthcare providers and corporate customers.

#### **SUMMARY OF INDUSTRY IN WHICH THE COMPANY IS OPERATING**

Diagnostics are an integral part of the health care system and provide information needed by service providers to make informed decisions about patient care. Limited availability and access to quality laboratory and radiology services are among the major challenges contributing to delayed or inappropriate responses to disease control and patient management. The ready availability of affordable diagnostic tools enables accurate detection of health risks and disease at an early stage, thereby improving disease management and diminishing health problems and associated costs. Diagnostics therefore play a useful role in influencing the quality of patient care and health outcomes.

#### **NAME OF PROMOTER**

The Promoter of our Company is Mr. Arun Kumar Gupta.

#### **SIZE OF THE ISSUE**

The Issue comprises of a fresh Initial Public Issue of upto 14,16,000 Equity Shares of Face Value of Rs.10/- each (The "Equity Shares") for cash at a price of Rs. [●] /- per Equity Shares (including a premium of Rs. [●]/- per equity share) aggregating to Rs. [●] Lakhs ( "the Issue") by our Company of which [●]Equity Shares of Rs.10 each aggregating to Rs. [●] Lakhs will be reserved for subscription by Market Maker ("Market Maker Reservation Portion") and a Net Issue to public of [●]Equity Shares of Rs.10 each aggregating to Rs.[●] Lakhs. The Issue and the Net Issue will constitute 30.12% and [●] respectively of the post issue paid up Equity Share Capital of the Company.

#### **OBJECTS OF THE ISSUE**

The Issue Proceeds are proposed to be used in accordance with the details as set forth below:

S. No	Particulars	Amt (₹ in Lacs)
1.	To open processing center in nearby cites of Kanpur (Jhansi, Banda, Faizabad, Unnao)	102.80
2.	To purchase advanced machinery and equipment	123.60
3.	Repayment/pre-payment of certain borrowings availed by the Company	94.60
4.	To meet Working Capital requirements	[●]
5.	General Corporate Purpose	[●]
6.	To meet the Issue Expenses	[●]
	<b>Total</b>	[●]

#### **PRE-ISSUE SHAREHOLDING OF PROMOTER AND PROMOTER GROUP**

The aggregate pre-issue shareholding of the promoter and promoter group as a percentage of the paid-up capital of our Company is as below-

Name	No. of Equity Shares	% of Pre Issue paid up Equity Shares
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<b>Promoter</b>		
Mr. Arun Kumar Gupta	3144,797	95.74
<b>Total (A)</b>	<b>31,44,797</b>	<b>95.74</b>
<b>Promoter Group</b>		
Mrs. Avani Gupta	99,500	3.03
Mr. Devang Agarwal	19,900	0.61
Ms. Rashika Agarwal	19,900	0.61
Ms. Akanksha Gupta	199	0.01
<b>Total (B)</b>	<b>1,39,499</b>	<b>4.26</b>
<b>Grand Total(A+B)</b>	<b>32,84,296</b>	<b>99.99</b>

## SUMMARY OF FINANCIAL INFORMATION

Following are details as per the restated financial statements for our company for the period ended on March 31, 2019 and period ending on April 30, 2019 in tabular format:

(Rs. in Lakhs except EPS and NAV per Share)

Sr. No.	Particulars	For the period ended on	
		April 30, 2019	March 31, 2019
1.	Paid up Share Capital	328.47	1.00
2.	Net worth	348.75	11.04
3.	Total Revenue *	55.92	56.32
4.	Profit After Tax*	9.08	10.04
5.	Earnings Per Share – Basic & Diluted**	0.28	0.31
6.	NAV per Equity Shares (based on weighted shares)	10.62	0.34
7.	Total Borrowings (As per Restated Balance Sheet)	306.87	317.78

\*Our Company was incorporated as a public limited company under the Companies Act, 2013 on November 06, 2018 and pursuant to incorporation have taken over the business of Gian Pathology and X Rays on March 01, 2019. The major business transactions (revenue activities) have taken place post the acquisition of the business by our Company i.e. after March 01, 2019.

\*\*Not Annualized

## AUDITORS QUALIFICATIONS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS

The audit report of the statutory auditor contains the below qualification which have not been given effect in the Restated Financial Statements are as below: -

- The company is in non-compliance of Accounting Standard – 15 – Employee Benefits (revised) to the extent of non-provision of leave encashment and gratuity without ascertaining actuarial valuation. The effect of the non-compliance is not quantifiable hence it is not possible for us to quantify the financial effects for the same.
- The Company has over due in repayment of principal dues of loans as well as interest payable to banks and financial institutions. However, interest has been provided in books of accounts on the principal outstanding at original contracted rates.

## SUMMARY OF OUTSTANDING LITIGATIONS

### Litigations involving our Company

NIL

### Litigations involving our Directors other than Promoter

NIL

**Litigations involving our Promoter:**

Nature of Case	Number of Cases/Demands	Outstanding Amount (Rs. in Lakhs)
<i>Criminal Case</i>	2	35.00
<i>Direct Tax</i>	3	0.26

For further details of the outstanding litigation proceedings, see "*Outstanding Litigation and Material Developments*" beginning on page 147 of this Draft Prospectus.

**RISK FACTORS**

Please see "Risk Factors" beginning on page 21 of this Draft Prospectus.

**SUMMARY OF CONTINGENT LIABILITIES OF THE COMPANY**

There are no Contingent liabilities as on the date of this Draft Prospectus.

**SUMMARY OF RELATED PARTY TRANSACTIONS**

As per Accounting Standard 18 on related party disclosure issue by the Institute of Chartered Accountants of India, the Company's related parties are disclosed below:

**A. List of Related Parties**➤ **Directors**

- Arun Kumar Gupta
- Avani Gupta ( till 14.03.2019)
- Rashika Agarwal
- Ashutosh Kumar Asthana
- Manoj Kumar Agarwal

➤ **Key Management Personnel**

- Arun Kumar Gupta
- Rashika Agarwal
- Ashutosh Kumar Asthana
- Manoj Kumar Agarwal
- Avani Gupta (CFO from 15.03.2019)
- Astha Chaturvedi

➤ **Relatives of Directors**

- Devang Agarwal
- Akansha Gupta

➤ **Entities in which Key Managerial Personnel/ their relatives are able to exercise significant influence or control**

- Gian Medical Stores
- Gian Path Labs LLP
- Washingtonne Hygienik Private Limited.
- Cd & M Remedies Private Limited.
- Santesion Pharma LLP
- Manoj Kumar Agarwal HUF
- Anup Agarwal HUF

**B. Transactions during the period**

(Amt in Rs. Lakhs)

Particulars	Key Management Personnel/ Relatives		Relatives of Directors		Entities in which Key Managerial Personnel/ their relatives have significant influence or control	
	For Period Ended		For Period Ended		For Period Ended	
	30.04.2019	31.03.2019	30.04.2019	31.03.2019	30.04.2019	31.03.2019
<b>Sale of Service</b>						
Manoj Kumar Agarwal HUF					1.39	0.87
Anup Agarwal HUF					1.39	1.08
<b>Outsourcing Expenses</b>						
Manoj Kumar Agarwal HUF					0.68	0.40
Anup Agarwal HUF					0.51	0.51
<b>Salary</b>						
Arun Kumar Gupta	5.00					
Astha Chaturvedi	0.10	0.05				
Avani Gupta	0.40	0.20				
<b>Electricity and fuel expense recovered</b>						
Gian Medical Stores					-	0.11
<b>Purchase of Consumables</b>						
Gian Medical Stores					-	0.24
<b>Payment of part shares for Discharge of Purchase Consideration</b>						
Arun Kumar Gupta	0.04	-				
<b>Allotment of Shares</b>						
Arun Kumar Gupta		0.93				
Rashika Agarwal		0.01				
Avani Gupta		0.05				
Devang Agarwal				0.01		
Akansha Gupta				0.001		
<b>Allotment of Bonus Shares</b>						
Arun Kumar Gupta	312.90					
Avani Gupta	9.90					
Rashika Agarwal	1.98					
Devang Agarwal			1.98			
Akansha Gupta			0.02			
<b>Security Deposit (Given)</b>						
Arun Kumar Gupta		4.50				
<b>Rent Paid</b>						
Arun Kumar Gupta	1.50	1.50				
<b>Purchase of Net Assets</b>						
Arun Kumar Gupta		328.66				

## C. Closing Balances

(Amt in Rs. Lakhs)

Particulars	Key Management Personnel/ Relatives		Relatives of Directors		Entities in which Key Managerial Personnel/ their relatives have significant influence or control	
	For Period Ended		For Period Ended		For Period Ended	
	30.04.2019	31.03.2019	30.04.2019	31.03.2019	30.04.2019	31.03.2019
<b>Salary Payable</b>						
Arun Kumar Gupta	4.48	-				
Astha Chaturvedi	0.10	0.05				
Avani Gupta	0.51	0.15				

<b>Other payables#</b>						
Manoj Kumar Agarwal HUF					0.68	2.96
Anup Agarwal HUF					1.79	0.68
Arun Kumar Gupta	-	328.66				
<b>Trade Payable</b>						
Gian Medical Stores					0.12	0.12
<b>Security Deposit (Given)</b>						
Arun Kumar Gupta	4.50	4.50				
<b>Unsecured Loans Payable</b>						
Avani Gupta	21.00	21.00				

# Other payables include expenses payable, creditors for fixed assets, advances received from customers and purchase of net assets on taken over from Gian Pathology & X-Ray.

For detailed information on the related party transactions executed by our Company, please refer “Annexure –XXIX” appearing on page no 132 of this Draft Prospectus under Chapter titled “Restated Financial Information” beginning on page no 113 of this Draft Prospectus.

## FINANCING ARRANGEMENTS

The promoters, members of the promoter group, the directors of the company which is a promoter of the issuer, the Directors of the issuer and their relatives have not financed the purchase by any other person of securities of the Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Draft Prospectus.

## WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES WERE ACQUIRED BY OUR PROMOTER IN THE ONE YEAR PRECEDING THE DATE OF THIS DRAFT PROSPECTUS

Weighted average price at which the Equity Shares were acquired by our Promoters in last one year:

Sr. No.	Name of Promoter	Total No. of Equity Shares	Weighted Average Price** (in Rs. per equity share)
1.	Mr. Arun Kumar Gupta	31,44,797	10.48

\*The Weighted Average Price for Equity Shares acquired during last one year has been calculated by taking into account the consideration for the Business takeover agreement paid for the acquisition of the substantial assets, liabilities and running business of Gian Pathology by way of fresh issuance and the net cost of acquisition has been divided by total number of shares acquired during last one year. During the preceding one year from the date of this Draft Prospectus, our Promoter Mr. Arun Kumar Gupta was allotted 31,28,994 Equity Shares, pursuant to bonus issue of Equity Shares made by the Company on April 12, 2019. Since the bonus allotment did not involve any consideration, the weighted average price of such Equity Shares is Nil.

\*\* As certified by our Statutory Auditor vide their certificate dated June 27, 2019.

## AVERAGE COST OF ACQUISITIONS OF SHARES FOR PROMOTER

Sr. No.	Name of Promoter	Total No. of Equity Shares	Average Cost of Acquisition per equity share (in Rs.)**
1.	Mr. Arun Kumar Gupta	31,44,797	10.48

\* The average cost of acquisition of Equity Shares by our Promoter has been calculated by taking into account the consideration for the Business takeover agreement paid for the acquisition of the substantial assets, liabilities and running business of Gian Pathology by way of fresh issuance or the amount paid by them to acquire, by way of fresh issuance or transfer, the Equity Shares less amount received by them for the sale of Equity Shares through transfer, if any and the net cost of acquisition has been divided by total number of shares held as on date of this Draft Prospectus.

\*\* As certified by our Statutory Auditor vide their certificate dated June 27, 2019.

### DETAILS OF PRE-ISSUE PLACEMENT

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

### ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR

Except as set out below, we have not issued Equity Shares for consideration other than cash in the preceding one year:

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Benefits Accrued to our Company
April 05, 2019	6506	10.00	5051	Business Acquisition	Acquisition of the running business along with the substantial assets and liabilities of Gian Pathology and X Rays as going concern.
April 12, 2019	31,28,994	10.00	Nil	Bonus Allotment	Nil

### SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Draft Prospectus.

### **SECTION III - RISK FACTORS**

*An investment in our Equity Shares involves a high degree of financial risk. Prospective investors should carefully consider all the information in the Draft Prospectus, particularly the “Financial Information of the Company” and the related notes, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 113, 78 & 138 respectively of this Draft Prospectus and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.*

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

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

#### *Materiality*

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

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

#### *Note:*

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

*In this Draft Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in “Risk Factors” on page 21 and “Management Discussion and Analysis of Financial Condition and Results of Operations” on page 138 of this Draft Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the “Financial Statements, as restated” prepared in accordance with the Indian GAAP (Accounting Standards).*

- 1. Our business mainly depends on our goodwill, reputation and customer perception, and any negative publicity may materially and adversely affect our business, financial condition and results of operations.***

Our goodwill and reputation are critical for the success of our business and operations. Our ability to maintain and improve our reputation is dependent on factors such as quality, accuracy and efficiency of our clinical laboratory tests, turnaround time, patient satisfaction, frequency in introduction of new tests and services and our ability to maintain strong relationships

with doctors and vendors. Further, as we expand into new geographical markets, the market will become increasingly competitive, maintaining and enhancing our goodwill may become costly and difficult.

Maintaining and enhancing our reputation and goodwill also depends on the consistency of our services and is also essential to our efforts to maintain and expand our customer base. If the test reports provided by us are not accurate our goodwill may be harmed, thereby decreasing the popularity of our testing services in terms of customer satisfaction. The users of our services have a greater sensitivity to errors than users of services or products that are not intended for the diagnosis, treatment and prevention of diseases. However, any delays or inaccuracies in the results we provide, including due to inherent limitations in the technology and equipment used or due to wrong interpretation of test results by in-house doctors or hired doctors, may result in the wrong treatment being prescribed to a patient, which may cause potential harm to such patient and may result into serious repercussions. In addition, if our personnel make errors in the storing, handling and labeling of patient specimens, or in the operation of our complex medical equipment, or if they inadequately or improperly extract specimens from patients causing bodily harm, our test results may not be accurate and we may become liable under healthcare, environmental, third party liability or other laws for acts or omissions by our employees, which may adversely affect our brand and reputation.

***2. Our operations are concentrated mainly in Kanpur, and any loss of business in such regions could have an adverse effect on our business, results of operations and financial condition.***

We perform our entire tests at our laboratories situated at Kanpur. In case of any interruption in the functioning of any of our laboratory in whole or in part, because of fire, natural disaster or other factors or accidents beyond our control, our capacity to provide diagnostic healthcare services may be materially and adversely affected or suspended for an indefinite period of time. In the event of any disruption in operations of our laboratory, we may be required to outsource a large volume of clinical tests, our ability to correctly and efficiently deliver testing results may be compromised, we may lose customers and we may face significant increases in costs for test processing, transport and logistics.

Further, all of our business is situated in and around Kanpur. In the event of a regional disruption in these regions, or any other developments including political or civil unrest, disruption or sustained economic downturn that reduce the demand for our services in these regions, could adversely affect our business, financial condition and results of operations, which are largely dependent on the performance and other prevailing conditions affecting our operations and profitability.

***3. Any negligence in collection of, or failure or delay in the transfer of, specimens to our laboratory could compromise or destroy the integrity of such specimens, which could adversely affect our business, results of operations and financial condition.***

The specimens collected are very important for the accuracy and reliability of the test reports. The process of collecting specimens is highly dependent on the skill and performance of our front-end employees. Any losses or errors in the specimen collection, preparation, labeling, storage process or exchange of patient related information with the other patients could result in us not being able to effectively provide our services and adversely affect our business and reputation. In case of any negligence in collection or transfer of the specimen to the laboratory for testing purpose, we may experience loss of specimens, delays and inefficiencies, including mislabeling of specimen, which are not within our control. If we are unable to deliver or receive specimens at our laboratory in a timely manner, their integrity as well as the outcome of results may be compromised, or the reporting of results of tests to patients may be delayed, which could adversely affect our reputation. In the event specimens are lost, destroyed, damaged or contaminated, we may have to incur additional costs, such as the cost of re-administering tests or from delays in the generation of critical test results. The occurrence of any such events could adversely affect our reputation, business, results of operations and financial condition.

***4. Implementation of pricing policies by the Government or other authorities could adversely affect our business, results of operations and financial condition.***

The prices that we charge for our services could become subject to recommended or maximum fees set by the Government or other authorities. For example, the government could introduce “price lists” for services that could be mandatory or, even if not mandatory, result in guidance for the prices we charge for our diagnostic healthcare services. The implementation of such or other policies affecting the prices we charge could, in effect, limit our ability to charge customers higher prices for our services, which may have an adverse effect on our business, results of operations and financial condition.



**5. *Our Statutory auditor has included certain audit qualifications and observations on certain matters in their auditor's reports.***

Our statutory auditor has provided the below mentioned qualification and observations in their auditor's reports:-

- Non-compliance of Accounting Standard – 15, Employee Benefits (revised) to the extent of non-provision of leave encashment and gratuity without ascertaining actuarial valuation.
- The Company has over due in repayment of principal dues of loans as well as interest payable to banks and financial institutions. However, interest has been provided in books of accounts on the principal outstanding at original contracted rates.

For details on such qualifications and observations by our statutory auditor, please refer to the chapter titled “Financial Information of the Company” beginning on page 113 of this Draft Prospectus. Investors should consider the same in evaluation of our financial position, results of operation and cash flows.

**6. *Failure or malfunction of our equipment could adversely affect our ability to conduct our operations.***

Our operations are subject to risks inherent with the use of medical equipment. We may experience failures or there could be injury to our employees or others either because of defects, faulty maintenance or repair, or improper use or lack of timely servicing of our equipment or timely availability of replacements. Any significant malfunction or breakdown of our equipment may entail significant repair and maintenance costs and cause disruptions in our operations. Any injury caused by our medical equipment in our laboratories due to equipment defects, improper maintenance or improper operation could subject us to litigation or claims from the parties. We cannot assure you that we would be able effectively respond to any such events, in a timely manner and at an acceptable cost, which could lead to an inability to effectively provide our services and, therefore, affect our business and reputation.

**7. *Our Company has been formed specifically for the purpose of acquisition of the business of Gian Pathology and X Rays thus we have limited operating history as a Company which may make it difficult for investors to evaluate our historical performance or future prospects.***

Our Company was incorporated as Gian Life Care Limited on November 06, 2018 under the provisions of Companies Act, 2013 with the main object to acquire the business of Gian Pathology and X Rays. Prior to incorporation of Company, the promoter of the Company Mr. Arun Kumar Gupta was carrying out the operations of diagnosis and health care services through his Proprietorship firm in the name of M/s Gian Pathology and X Rays which was taken over by our Company vide Business Transfer Agreement dated March 01, 2019 on a going concern basis. Thus, we have very limited operating history from which one can evaluate our business, future prospects and viability as a Company. Further the Company does not have any specific business except for the business acquired from the proprietorship concern in case the company is unable to develop the said business effectively or in a profitable manner then it may have an adverse effect on the operation and profitability of the Company. For further details relating to our history of our Company, please refer to the chapters titled “Our History and Certain other corporate matters”, “Our Business” and “Financial Information” beginning on pages 94, 78 & 113 respectively of the Draft Prospectus.

Further, the company has applied or in some cases will apply for the transition or endorsement of the name of the Company on many of the documents, registration, bank account and other documents which are in the name of our Promoter or Gian Pathology and X Rays. Any delay in the said transition may require the company to pay any penalty or refusal from any authority of such transition or endorsement which may affect the financial position and operation of our Company

**8. *We do not own the Registered Office and the laboratory situated at Swaroop Nagar from which we carry out our business activities. In case of non-renewal of rent agreements or dispute in relation to use of the premises, our business and results of operations can be adversely affected.***

We do not own the registered office from which we operate. The said office has been taken on rent from our Promoter Mr. Arun Kumar Gupta. As per the rent agreement, any breach of the terms / non-renewal of the said agreement(s) may require us to vacate the said premises which may cause disruption in our corporate affairs and business and impede our effective operations and thus adversely affect our business and profitability. For further details regarding our offices, please refer to chapter “Our Business” on page 78 of this Draft Prospectus. Further the premises from where we are carrying on the business

are located in the residential area, in case of any objection from the local bodies or any authority we may be required to shift the premises where we are carrying on the business or we may be made liable for prosecution and penalty under the provisions of Uttar Pradesh Land Revenue Act, 1901 which may have a negative impact on our operations and profitability.

Further, the property located at Saket Nagar has been acquired by our Company through the business transfer agreement entered with Gian Pathology and X rays, proprietorship concern of our promoter, but we are yet to apply for the registration of the said transfer in our name with the Land revenue department. In case of failure to get these records updated or rejection of the said registration by the authorities may have a negative impact on our operations and profitability.

***9. Heavy dependence on our Promoter for the continued success of our business through his continuing services, strategic guidance and support.***


We are heavily dependent upon the continued services of our Promoter, along with support of our management team for the continuous success and growth of our organization. Our promoter Mr. Arun Kumar Gupta is responsible for the execution of our day to day business affairs. Also prior to the incorporation and acquisition of the business he was running the pathology services under his proprietorship concern which have been acquired by our Company. The loss of our Promoter or failure to recruit suitable or comparable replacements could have an adverse effect on our business operations and growth strategies.

***10. Failure to introduce new tests, services and technologies or failure to acquire new or improved equipments could adversely affect our business, results of operations and financial condition.***

The diagnostic healthcare services industry is subject to constant innovations in, and improvements to tests and services, processes and technologies. In order to maintain our position in our industry, we must continue to anticipate and keep abreast of the demands and needs of our patients through develop new tests and services and improve existing tests and services or provide better combination of the diagnostic tests. If we fail to anticipate trends in the industry or we are not able to introduce or develop new tests, services and technologies before or at least concurrently with our competitors and at competitive prices, our business, results of operations and financial condition may be adversely affected.

Also, due to the outbreak of new diseases and changes in the methods used to detect the different diseases or with the change in the methods used to detect the different diseases we may require new and improved equipment. Further, with the development of the new diagnostic equipment based on new technologies may result in the obsolescence of our current equipment, and we may not have the financial ability to acquire new or improved equipment and may not be able to maintain a competitive equipment base. We may consequently be unable to deliver our diagnostic healthcare services in an efficient and effective manner and, as a result, our business, results of operations and financial condition may be adversely affected.

***11. We have not yet applied for the registration of our trademark. If we fail to obtain trademark registration our brand building efforts may be hampered which might lead to adverse effect on our business.***

Our Company is currently using the  trademark which is not yet registered in the name of our Company neither we have made any application for the registration of the trademark with the respective authorities. If we are unable to get the same registered with the trademark authorities then, Our Company may not be able to successfully enforce or protect our intellectual property rights and obtain statutory protections available under the Trademarks Act, 1999, as otherwise available for registered trademarks in future could have a material adverse effect on our business and goodwill, which in turn could adversely affect our results of operations. For further details please refer to section titled Government & Other Approvals on page 150 of this Draft Prospectus.

***12. A failure to obtain and retain new customers or a loss of existing customers or a reduction in tests ordered or specimens submitted by existing customers, or the inability to retain existing and create new relationships with health systems could impact our ability to successfully grow our business and may materially and adversely affect our business, financial condition, results of operations and cash flows.***

In order to successfully compete in the diagnostic healthcare services industry in India, it is important that we acquire new customers and retain our existing customers. This allows us to maintain existing, and generate additional, maintain economies of scale in line with our strategy. In addition, a reduction in tests ordered or specimens submitted by existing customers, without offsetting growth in our customer base or an increase in prices, would decrease our margins, have an impact on our results of operations and potentially impact our ability to successfully compete and grow our business. We

compete primarily on the basis of the quality of testing and the pricing of services. Our failure to successfully compete on any of these factors could result in the loss of customers, economies of scale and a reduction in our ability to expand our customer base.

In addition, we also rely on our relationship with the healthcare providers, agencies, corporations and other customers to expand our business. However, our ability to continue to obtain benefits from our existing relationships and building new relationship with the healthcare providers, agencies, corporations and other customers could impact our ability to successfully grow our business.

**13. There are certain legal proceedings pending against our Promoter which, if determined against them, could have a material adverse effect on our operations and reputation.**

Our Promoter is involved in certain outstanding legal proceedings/matters which if determined, against us could have adverse impact on the business and financial results of our Company. For details kindly refer chapter titled “*Outstanding Litigation and Material Developments*” on page 147 of this Draft Prospectus. A brief detail of such outstanding litigations as on the date of this Draft Prospectus are as follows:

**Litigations/Matters against our Promoter:-**

Nature of Cases	No. of Outstanding Cases	Amount Involved (in ₹ Lacs)
Criminal Case	1	35.00
Direct Tax Matters	3	0.26

**Litigations/Matters filed by our Promoter:-**

Nature of Cases	No. of Outstanding Cases	Amount Involved (in ₹ Lacs)
Criminal Case	1	unascertainable

For further details of Statutory or legal proceedings involving our Company, please refer to the chapter titled “*Outstanding Litigation and Material Developments*” on page 147 of this Draft Prospectus.

**14. We may be subject to legal proceedings arising out of patient complaints in relation to our services, which could adversely affect our business and reputation.**

Our company may be subject to the claims, suits or complaints relating to services provided by our laboratories in relation to the services provided by us. In addition, we may be subject to professional liability claims, including, without limitation, for improper use or malfunction of our diagnostic imaging equipment or for accidental contamination or injury from exposure to radiation. There cannot be any assurance that any claim made by us will be honored by the insurance company in part or at all. Further there is no assurance that any action against us that is not fully covered by insurance could be costly to defend and may result in a substantial damage award against us and divert the attention of our management from our operations, which could have a material and adverse effect on our business, reputation, financial condition and our results of operations.

**15. Our Company has in the past defaulted in the re-payment of the installments on the loans taken-over by the company from the sole proprietorship concern from different Banks and Financial Institute.**

Our Company has in the past made defaults in the re-payment of the installments on the loans taken from banks and Financial Institute which have been acquired from the sole proprietorship concern. Although the company believes that the same was temporary in nature and as on date the Company has made the re-payment of the entire overdue amount and no default exists as on the date of the Draft Prospectus, but there can be no assurance that such situation may not arise in future. In case of any such default by the company in future may require the company pay additional interest and penalty charges on such defaults which may have an adverse effect on the business, operation and goodwill of the Company.

**16. Our insurance coverage may be inadequate to fully protect us from all losses.**

Our Company has obtained insurance coverage in respect of certain risks which consists of Fire and special perils policy on our laboratory situated at Swaroop Nagar and Saket Nagar. Apart from this we have also obtained professional indemnity policy for our two Doctors. However, we have not taken any insurance for some of the assets located at Registered Office and

Corporate Office of our Company such as Electronic Equipment Policy, Machinery Breakdown Policy, Public Liability Policy, Personal Accidental Policy, Employee Compensation Policy and Cash in Transit Policy. In addition, we have not taken keyman insurance for our Directors, burglary policy or transit insurance for the specimen sample in transit. Also, some of our insurances are in the name of Gian Pathology and X rays the proprietorship of our Promoter which are yet to be endorsed in the name of the Company. If any uncertainty arises including losses arising on account of third party claims or if claim made by us in respect of an insurance, is not accepted or any loss occurred by us is in excess of the insurance coverage, the same may adversely affect our operation, results and financials. If our arrangements for insurance or indemnification are not adequate to cover claims, we may be required to make substantial payments and our results of operations and financial condition may be affected. For further information, see the section titled “Our Business” on page 78 of this Draft Prospectus.

**17. The diagnostics industry in India is highly competitive and our inability to compete effectively may adversely affect our business, results of operations and financial condition.**

The diagnostics industry in India is highly competitive with several companies present in the market, and therefore it is challenging to improve market share and profitability. Our competitors include diagnostic healthcare service providers in India, hospital-based laboratories, independent clinical laboratories, other smaller-scale providers of diagnostic services which may establish and expand their operations in future. We compete on the breadth of our ability to accurately process specimens and report data in a timely manner and our customer relationships. Some of our competitors have greater financial, research and development, marketing and other resources, broader service offerings, more experience in obtaining regulatory approvals or greater geographic reach. Also, the pricing-related competition may intensify in the near future which may have an adverse impact on the results of our operations, including our profit margins. Our competitors may also succeed in providing services that are more effective, popular or cheaper than ours, which may render our services uncompetitive. Our larger competitors may also have the benefit of increased cost efficiencies and provide services similar to ours at a significant discount to our prices. If we are unable to compete effectively, our business could decline or contract and our business, results of operations and financial condition could be adversely affected.

**18. Employee misconduct or failure of our internal processes or procedures could harm us by impairing our ability to attract and retain patients and subject us to significant legal liability and reputational harm.**

Our business is exposed to the risk of employee misconduct or the failure of our internal processes and procedures. For example, misconduct by employees could involve the improper use or disclosure of confidential information, which could result in costly litigation and serious reputational or financial harm. We take all the possible steps to monitor, detect and prevent such acts by our employees, but we may be unable to adequately prevent or deter such activities in all cases. We cannot assure that we will be able to identify all such issues, thus there could be instances of fraud and misconduct by our employees, which may go unnoticed for certain periods of time before corrective action is taken. In addition, we may be subject to regulatory or other proceedings in connection with any such unauthorized transaction, fraud or misappropriation by our employees, which could adversely affect our goodwill, business prospects, future financial performance and cancellation of license may result into the closure of the business of the particular branch/ office. Even when we identify instances of fraud and other misconduct and pursue legal recourse or file claims with our insurance carriers, we cannot assure you that we will recover any amounts lost through such fraud or other misconduct.

**19. We have issued Equity Shares during the last year at a price that may be below the Issue Price.**

We have issued certain Equity Shares in the last twelve (12) months, at a price that is lower than the Issue Price. Details of such issuances are given in the table below:

Date of Allotment	No. of Equity Shares	Face Value (In Rs.)	Issue Price (In Rs.)	Consideration/ Nominal Value	Reason/ Nature of Allotment
November 06, 2018	10,000	10.00	10.00	1,00,000	Incorporation
April 12, 2019	32,68,188	10.00	Nil	Nil	Bonus

For further details of equity shares issued, please refer to the chapter titled “Capital Structure” beginning on page 47 of this Draft Prospectus.

**20. Our Company proposes to utilize part of the Proceeds to pre-pay certain secured loans taken-over by our Company from the sole proprietorship concern, and accordingly, the utilization of that portion of the Net Proceeds will not result in creation of any tangible assets. Also, we will be able to make the re-payment or prepayment only in case the loan agreement and sanction letters are endorsed in the name of our Company.**

Our Company intends to use some portion of the Net Proceeds for the purposes of pre-payment, in full or part, of certain term secured loans taken-over by our Company from the sole proprietorship concern. The details of the loans identified to be repaid or prepaid using the Net Proceeds have been disclosed in the section entitled “Objects of the Issue” on page 61 of this Draft Prospectus. However, the repayment of the term loans are subject to various factors including, pre-payment penalty.. While we believe that utilization of Net Proceeds for repayment of secured loans would help us to reduce our cost of debt and enable the utilization of our funds for further investment in business growth and expansion, the pre-payment of loans will not result in the creation of any tangible assets for our Company. Further, all the loan agreement are in the name of the proprietorship concern and we are in the process of applying for the endorsement of the same in the name of our Company. In case of any delay in such endorsement by the banks or financial institute, we would not be able to make the re-payment or pre-payment of such loans. This may have an adverse effect on the future business prospects.

**21. We require certain approvals, licenses, registrations and permits for conducting our business and our inability to obtain, retain or renew them in a timely manner, or at all, may adversely affect our business, results of operations and financial condition.**

In order to operate our business, we are required to obtain certain clearances, licenses, registrations and other approvals under various central and state laws. We are required to obtain licenses for establishing our clinical laboratories, conducting diagnostic tests or procedures and handling of radioactive materials or biomedical waste or other hazardous waste. The regulatory licenses that we require are generally granted for a limited term and are subject to renewal at the end of such terms. We cannot assure that we will be able to obtain or renew all necessary licenses and registrations as and when required, within a reasonable time, or at all. For further details of key regulations applicable to our business and our operations, see the section entitled “Key Industry Regulations and Policies” on page 87 of this Draft Prospectus.

While we have obtained a number of required approvals for our operations, there are some approvals for which we have submitted applications are currently pending. In addition, we may need to apply for additional approvals, including the renewal of approvals which may expire from time to time and approvals required for setting up of any new clinical laboratory in the ordinary course of business such as we have applied for the renewal of registration under The Clinical Establishments (Registration and Regulation) Act, 2010 before the authority. In case the same is not granted or renewed or renewed with additional conditions than this may affect the business of the company and may also lead to closure of our operation. Further, our Company is yet to apply for the registration of Authorization for operating a facility for generation, collection and storage of biomedical wastes under the BMW Rules for the laboratory located at Saket Nagar and renewal of the same for laboratory located at Swaroop Nagar. For further details, see the section entitled “Government and Other Approvals” on page 150 of this Draft Prospectus. Further, while we believe that we do not require certain approvals, we cannot assure you that the relevant regulatory authorities will not take a different view as to whether such approvals and consents will be applicable to us, or whether we will be penalized for not obtaining such approvals or consents under relevant acts and regulations. Also, our licenses and approvals are subject to various conditions, including periodic renewal and maintenance standards that are subject to inspection and may require us to incur substantial expenditure. Any actual or alleged failure on our part to comply with the terms and conditions of such regulatory licenses and registrations could expose us to significant compliance costs or liabilities. Further, some of our approvals have been taken-over by the Company from Gian Pathology and X Rays which are still in the old name. If we fail to obtain or renew any applicable approvals, licenses, registrations or consents in a timely manner, we may not be able to undertake certain operations of our business, or at all, which may affect our business or results of operations.

**22. We outsource some of the tests that we offer to third-party laboratories. Any lapse by such third party laboratories may have adverse consequences on our business and reputation.**

For select types of tests that we offer our customers, we believe that it is more cost-effective to outsource the performance of such tests to third-party laboratories than to perform such tests ourselves. The selection of the third parties has been done based on the periodic reviews and assessments of our third-party laboratories in order to determine their ability to continue to meet their obligations to us. However, we do not have control over the actions of our third-party laboratories and cannot guarantee that these laboratories will continue to perform such services to our satisfaction. Accordingly, we are exposed to

the risk that these laboratories may be unable to fulfill their obligations to us. Any failure by these laboratories to perform such tests as required or any termination of such arrangements may adversely affect our operations if we are unable to find suitable replacement laboratories in a timely manner or at all. Also, in case of any failure on the part of such laboratories in the accuracy of the test results, we may be held liable for the deviation in results. In case of any such scenario we may be subject to legal liabilities claims and affect our business and operations.

**23. *Our Promoter Mr. Arun Kumar Gupta was director of a company which has been struck off by RoC under section 248 of the Companies Act 2013.***

Our Promoter Mr. Arun Kumar Gupta was director of Medbeam Scan Private Limited which was struck off by RoC, Kanpur during June 2017 pursuant to section 248 of the Companies Act 2013. Pursuant to this notice of Strike off the abovementioned company stands dissolved. Although no further notice has been received by our promoter post strike-off of the company, but there cannot be any assurance that the regulatory authority will not take any penal action against that company or our promoter. In case any such action is taken it may have an adverse effect on the operations of our Company and may affect the reputation of our Company.

**24. *We are dependent on certain key suppliers of testing apparatus and chemicals and the loss of, or a significant reduction in supply by, such suppliers could adversely affect our business, financial condition and results of operations. Further, we are also exposed to fluctuations in prices or shortage in supply of these materials which could adversely impact our business.***

The major materials used by us during the testing are the testing apparatus, chemicals used and the printing materials most of these materials are procured from our nominated vendors which are available locally. The loss of any one of our key suppliers or a significant reduction in supply from such suppliers could have a material adverse effect on our business, financial condition, results of operations and future prospects. Additionally, as our materials have certain specific technical specifications and grades, which we may face difficulty in finding alternative sources for such raw materials. There can be no assurance that there will not be a significant disruption in the supply of these materials currently sourced by us or, in the event of a disruption, that we would be able to locate alternative suppliers of materials or third party manufacturers of comparable quality at an acceptable price, or at all, and whether such suppliers, if identified, would be able to make supplies to us in a timely manner, or at all. Any inability on our part to procure raw materials from alternate suppliers in a timely manner, or on terms acceptable to us, would have an impact on our production line and may adversely affect our operations. In addition, our Company has not entered into any definitive agreement with our Suppliers for the purchase of these materials on specified terms and conditions. Thus, any upward fluctuation in the prices or shortage in supply would result in increase of cost which may adversely impact the business and profitability of the Company.

**25. *Excessive dependence on Allahabad Bank and Corporation bank for obtaining financial facilities.***

Most of our fund based and non-fund base financial assistance has been sanctioned by Allahabad bank and Corporation Bank. We have been sanctioned the financial assistance on the security of assets and personal guarantee of our Promoter and Promoter group. Any default under such arrangement or non-renewal or renewal of the sanction on adverse term with such lender may result into difficulty in arranging of funds for re-payment and may also adversely affect our operations and financials. Any impairment in the right to use the above property may require us to arrange for the additional security or arranging the funds for the pre-payment which may adversely affect the financial position of our Company.

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

Our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flows, general market conditions, economic and political conditions in the markets where we operate and our capacity to service debt.

Our significant indebtedness results in substantial amount of debt service obligations which could lead to:

1. increasing our vulnerability to general adverse economic, industry and competitive conditions;
2. limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
3. affecting our credit rating;
4. limiting our ability to borrow more money both now and in the future; and

5. increasing our interest expenditure and adversely affecting our profitability.

If the loans are recalled on a short notice, we may be required to arrange for funds to fulfill the necessary requirements. The occurrence of these events may have an adverse effect on our cash flow and financial conditions of the company. For further details regarding our indebtedness, see “Statement of Financial Indebtedness” on page 137 of this Draft Prospectus.

***27. We have not yet received NOC and consent of lender for undertaking the initial public offer of equity shares.***

As on the date of this Draft Prospectus, we are in the process of obtaining consent & NOC for the Proposed Issue from our lenders. Our Company will obtain the necessary consent & NOC in relation to the proposed issue from such lender prior to the filing of the Prospectus with the RoC. Undertaking the proposed issue without obtaining such lender consent & NOC may constitute a default under such loan agreement, which could impact our loan facilities and may have an effect on our financial condition and results of operations.

***28. We have not entered into any definitive agreements to utilize a portion of the Net Proceeds. Any failure to enter into arrangements on favorable terms and conditions, in a timely manner or at all, may have an adverse effect on our business and financial results.***

Our Company proposes to utilize the part of the net proceeds for the purpose of opening new center aggregating to approximately Rs. 102.80 lacs. Our Company has however identified the cities where the Branches will be setup but has not entered into any definitive agreements for establishment of such Centre. There can be no assurance that we will be able to conclude definitive agreements for such expenditures on terms anticipated by us. Also, we have estimated the cost on the basis of our internal management estimates and other publically available data. Also, we have not yet placed any order for the equipments proposed to be acquired through the IPO proceeds. Our Company is subject to risks on account of inflation in the price of the estimates made by us for opening of the Centre. Since the funding is from IPO proceeds, any delay in access to IPO proceeds would eventually delay the process of placing the orders. Any failure to enter into utilization arrangements on favorable terms and conditions in a timely manner or at all may have an adverse effect on our business and our financial results. For further details read section “Objects of the Issue” beginning on page 61 of this Draft Prospectus.

***29. Our Promoter, Directors and Key Managerial Personnel have interests in us other than reimbursement of expenses incurred and normal remuneration or benefits.***

Our Promoter, Directors and Key Managerial Personnel may be regarded as having an interest in our Company other than reimbursement of expenses incurred and normal remuneration or benefits. Certain Directors and Promoter may be deemed to be interested to the extent of Equity Shares held by them and by members of our Promoter Group, as well as to the extent of any dividends, bonuses or other distributions on such Equity Shares.

***30. Our success depends, in large part, upon our Promoter and the team of senior management and doctors, the loss of any of the key members or a failure to attract skilled personnel or retain such persons may adversely affect our business.***

Our sustained growth depends on our ability to attract, train, motivate and retain qualified and experienced laboratory professionals, including physicians, pathologists, doctors and scientists. Our inability to attract and retain such skilled personnel could result in a decrease in the quality of our services and could have a material adverse effect on our results of operations. Further, our success is significantly dependent on the efforts, expertise and continued performance of our senior management team including our Promoter. Our Promoter and other members of our senior management provide expertise which enables us to make well-informed decisions in relation to our business. The loss of their services, failure to recruit suitable or comparable replacements in a timely manner or need to incur additional expenses to recruit and train new personnel could disrupt, or otherwise have a material adverse effect on, our business, financial condition, results of operations and cash flows. In addition, if any of our executive officers or key employees joins a competitor or forms a competing company, we may lose know-how, trade secrets, customers and key professionals and staff.

Furthermore, since the demand and competition for talent is intense in our industry, particularly for qualified healthcare professionals, and since the availability of suitable and qualified candidates is limited, we may need to offer higher compensation and other benefits in order to attract and retain key personnel in the future, which could increase our compensation expenses. We also may need to increase our total compensation costs to attract and retain the experienced management and other personnel required to achieve our business objectives, and the failure to do so could severely disrupt

our business and growth. We cannot assure you that we will be able to attract or retain the key personnel that we will need to implement our strategies and achieve our business objectives.

**31. Any Penalty or demand raised by statutory authorities in future will affect our financial position of the Company.**

Our Company is engaged in business of diagnosis and healthcare test, which attracts tax liability such as Income tax, and professional tax as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund and ESI. However, we have deposited the required returns under various applicable Acts but any demand or penalty raised by the concerned authority in future for any previous year and current year will affect the financial position of the Company.

**32. The levy of GST on the healthcare services industry in India in general, or on diagnostic or other healthcare services in particular, may adversely affect our business, financial condition, results of operations, prospects and cash flows.**

The healthcare services, including diagnosis, treatment or care are currently exempt from GST in India, there have been instances in the past of tax authorities levying or contemplating the levy of taxes on healthcare service providers, or disallowing or investigating exemptions or deductions claimed by tax assesses on such parameters. This matter has yet not been clarified through appropriate tax legislation, or by the appellate courts in India. Any such event in the future, we may be required to obtain the required registrations, or to incur significant costs on account of tax liability, including if arrears of tax are claimed from us on account of the relevant tax legislation being made effective retrospectively which may adversely affect our business, financial condition, results of operations and prospects.

**33. Compliance with, and changes in, health, safety and environmental laws and various labor, workplace and related laws and regulations applicable in jurisdictions in which we operate could result in increased capital requirements and operating costs.**

While the provision of diagnostic healthcare services is not heavily regulated, we are subject to a broad range of safety, health and environmental laws and various labor, workplace and related laws and regulations in the jurisdictions in which we operate, which impose controls on the disposal and storage of raw materials, bio-medical waste, air and water discharges, on the storage, handling, discharge and disposal of chemicals, employee exposure to hazardous substances and other aspects of our operations.

The Biomedical Waste (Management and Handling) Rules, 1998 (the “BMW Rules”) are applicable to all persons generating, collecting, receiving, storing, transporting, treating, disposing or handling bio-medical waste in any form including hospitals, clinics and pathological laboratories. Improper disposal of biomedical waste can result in injuries to healthcare personnel and waste handlers, as well as an increased risk of infection to staff, an increase in risks associated with hazardous chemicals and drugs and the development of resistant strains of microorganisms, among other things. Any non-compliance in discharge of medical waste or of other hazardous substances or other pollutants into the air, soil or water may cause us to be liable to regulatory bodies or to third parties. Although, we believe that our operations are materially in compliance with currently applicable environmental, health and safety regulations but any violations of such laws or regulations can lead to fines and penalties.

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

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above Rs. 10,000.00 Lacs. 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

**35. We have experienced negative cash flows in relation to each of our investing activities and financing activities, any negative cash flows in the future would adversely affect our results of operations and financial condition.**

Our cash flow from our operating, investing and financing activities have been negative in the past. Following are the details of our cash flow position during the last period based on restated financial statements:-



Particulars	For the year/ period ended (in ₹ Lakhs)	
	30.04.2019	31.03.2019
Net cash flow from/ (used in) Operating activities	(2.53)	299.02
Net cash flow from/ (used in) Investing activities	0.12	(292.41)
Net cash flow from/ (used in) Financing activities	(4.99)	96.04

For details, please see the chapter titled “*Financial Information of our Company*” on page 113 of this Draft Prospectus. Any negative cash flows in the future could adversely affect our results of operations and consequently our revenues, profitability and growth plans.

**36. *Our Promoter and Promoter group will continue to retain majority control in our Company after the Issue, which will enable them to influence the outcome of matters submitted to shareholders for approval.***

After the completion of this Issue, our Promoter will directly control a majority of our outstanding Equity Shares. For details, see the section entitled “*Capital Structure*” on page 47 of this Draft Prospectus. As a result, our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting, and our other shareholders will be unable to affect the outcome of such voting. Our Promoters may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders, such as decisions relating to any sale of all or substantially all of our assets, the timing and distribution of dividends and the election or termination of appointment of our officers and Directors, actions which delay, defer or cause a change of our control or a change in our capital structure, merger, consolidation, takeover or other business combination involving us, or which discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us.

**37. *We have entered into certain related party transactions, and we may continue to do so in the future.***

We have entered into certain transactions with related parties, including with our Promoter and Promoter group members and KMPs. For details regarding the transaction entered between the Company and the related parties, see the section entitled “*Related Party Transactions*” on page 132. We have also given remuneration and also provided reimbursement of expenses to of our directors, officers and Promoter. There can be no assurance that we will be able to maintain existing terms, or in case of any future transactions with related parties, that such transactions will be on terms favorable to us. While we believe that all of our related party transactions have been conducted on an arm’s length basis, we cannot assure you that we could not have achieved more favorable terms had such transactions been entered into with unrelated parties. It is also likely that we will enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflict of interests. Accordingly, there can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our results of operations and financial condition.

**38. *Our operations are subject to high working capital requirements. Our inability to maintain an optimal level of working capital required for our business may impact our operations adversely.***

Our business requires significant amount of working capital and major portion of our working capital is utilized towards debtors, and inventories. As on April 30, 2019, the working capital requirement of the Company stood at Rs. 168.77, which was financed through the Bank Overdraft. Our growing scale and expansion, if any, may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sourcing of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations.

**39. *We may be unable to successfully implement or manage our growth strategy.***

The success of our business will largely depend on our ability to effectively implement our business and growth strategy. In the past we have generally been successful in execution of our business but there can be no assurance that we will be able to execute our strategy on time and within the estimated budget in the future. If we are unable to implement our business and growth strategy, this may have an adverse effect on our business, financial condition and results of operations

**40. We are subject to the restrictive covenants of banks in respect of the Loans/ Credit Limits and other banking facilities availed from them.**

Our financing arrangements contain restrictive covenants whereby we are required to obtain approval from our lender, regarding, among other things such as major changes in share capital, changes in fixed assets, creation of any other charge, not to issue any personal guarantee by the guarantors etc. There can be no assurance that such consents will be granted or that we will be able to comply with the financial covenants under our financing arrangements. In the event we breach any financial or other covenants contained in any of our financing arrangements, we may be required under the terms of such financing arrangements to immediately repay our borrowings either in whole or in part, together with any related costs. This may adversely impact our results of operations and cash flows.

**41. The Objects of the Issue for which funds are being raised, are based on our management estimates and have not been appraised by any bank or financial institution or any independent agency. The deployment of funds will be entirely at our discretion, based on the parameters as mentioned in the chapter titles "Objects of the Issue".**

The fund requirement and deployment, as mentioned in the "Objects of the Issue" on page 61 of this Draft Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter "Objects of the Issue" is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation as stated under chapter "Objects of the Issue" will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

**42. 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.**

The proposed fund requirement for additional working capital requirement, as detailed in the section titled "*Objects of the Issue*" is to be funded from the proceeds of this IPO. However, 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, and we may have to obtain additional borrowings. We therefore, cannot assure that we would be able to execute our future plans/strategy within the given timeframe. For details, please refer to the Chapter titled "*Objects of the Issue*" beginning on page 61 of this Draft Prospectus.

**43. Any increases in accounts receivable could adversely affect our financial condition and cash flows.**

Majority of our business is derived from the walk-in customers who generally make cash payment or through other modes of payments. However, trade receivables may arise due to any payment relaxation provided to any client or the amount due from our corporate or other customers. As on April 30, 2019, our trade receivables amount to Rs. 137.21 lacs, which is approximately more than 2.48 months sale as on respective month. We cannot assure that our Company will be able to effectively manage its trade receivables in future. Any such failure in management of trade receivables could result into bad debts, delays in recoveries, additional charges in form of legal expenses and / or write-offs which could lead to a liquidity issues, thereby adversely affecting our business and results of operations. Further, in case of delay payment from the trade receivable we may be compelled to make delay in the payment commitments by our company which can have an adverse impact on the reputation, cash flow and financials of our company.

**44. There can be no assurance that we will pay dividends in the future.**

Our Company has not paid any dividend in the past and whether we will pay dividends in the future and the amount of any such dividends, if declared, will depend on a number of factors, including our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors considered relevant by our Board of Directors and shareholders. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. Our ability to pay dividends may also be restricted under certain

financing arrangements that we may enter into. There can be no assurance that we will, or have the ability to, declare and pay any dividends on the Equity Shares at any point in the future.

***45. Any further equity issuance, which will lead to dilution of equity and may affect the market price of our Equity Shares or additional funds through incurring debt to satisfy our capital needs, which we may not be able to procure and any future equity offerings by us.***

Our growth is dependent on having a strong balance sheet to support our activities. In addition to the IPO Proceeds and our internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favorable to the then existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financings could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be affected if we are unable to implement our expansion strategy.

Any future issuance of Equity Shares by our Company may dilute shareholding of investors in our Company; and hence affect the trading price of our Company's Equity Shares and its ability to raise capital through an issue of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Company's Equity Shares. Additionally the disposal, pledge or encumbrance of Equity Shares by any of our Company's major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

***46. This Draft Prospectus contains information about the industry which we have commissioned from independent sources and have not been verified.***

The Industry and market information contained in this Draft Prospectus relating to India, the Indian economy and the diagnostic testing sector have been derived or extracted from industry sources, from government publications and reports from other publicly available publications that we believe are reliable. While facts and other statistics in this Draft Prospectus relating to India, the Indian economy and our industry, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled "Our Industry" beginning on page 72 of this Draft Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

**EXTERNAL RISK FACTORS**

***47. Our ability to attract individual patients is largely dependent on the disposable income and increasing general health awareness of India's general population, which could decline due to a variety of factors.***

One of our key sources of income is individual patients. The growth of these types of customers is dependent on brand recognition, wider acceptance of our business in the communities in which we operate and our ability to compete effectively within our industry, all of which we may be negatively affected by a wide variety of reasons. For example, individual decisions regarding when to access healthcare services may be impaired by the absence of a developed health insurance sector or the lack of appropriate government programs to cover the costs of healthcare. Moreover, given the small proportion

of people in India presently with health insurance, customers in India generally are responsible for all or part of the cost of diagnostic healthcare services, which means that a decrease in disposable income that can be allocated for healthcare services, or even the perception thereof, such as during times of economic downturn, can lead to a reduction in individuals' expenditures for healthcare services. In addition, we cannot assure you that the current increasing trend in health awareness and demand for preventive healthcare services will continue, and it may even reverse. Any of the above reasons may affect our ability to maintain or increase growth in walk-in clients, which may adversely affect our business, financial condition, results of operations and cash flows.

**48. *Our business is dependent on the Indian economy.***

The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be materially and adversely affected by center or state political instability or regional conflicts, a general rise in interest rates, inflation, and economic slowdown elsewhere in the world or otherwise. There have been periods of slowdown in the economic growth of India. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates and annual rainfall which affects agricultural production. Any continued or future slowdown in the Indian economy or a further increase in inflation could have a material adverse effect on our business and financial results. The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and financial results.

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

Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. In addition, the Asian region has from time to time experienced instances of civil unrest and hostilities among neighboring countries. Hostilities and tensions may occur in the future and on a wider scale. Military activity or terrorist attacks in India, may result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. Events of this nature in the future, as well as social and civil unrest within other countries in the world, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies, including our Equity Shares.

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

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For further details please refer to the chapter "**Government and Other Approvals**" on page 150 for details of the laws currently applicable to us. There can be no assurance that the central or the state governments in India may not implement new regulations and policies which will require us to obtain approvals and licenses from the central or the state governments in India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on all our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations.

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

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market

conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

***52. 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.

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

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

***54. Our performance is linked to the stability of policies and the political situation in India.***

The Government of India has traditionally exercised, and continues to exercise, a significant 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. Since 1991, successive Indian governments have pursued policies of economic liberalization and financial sector reforms. The current Government has announced its general intention to continue India's current economic and financial sector liberalization and deregulation policies. However there can be no assurance that such policies will be continued and a significant change in the government's policies in the future could affect business and economic conditions in India and could also adversely affect our business, prospects, financial condition and results of operations.

Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have a material adverse effect on the market for our Equity Shares. There can be no assurance to the investors that these liberalization policies will continue under the newly elected government. Protests against privatization could slow down the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting companies in the industrial equipment manufacturing sectors, foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

### SECTION IV - THE ISSUE

Following table summarises the present Issue in terms of this Draft Prospectus:

Particulars	Details of Equity Shares
<b>Issue of Equity Shares<sup>(1)</sup></b>	Issue of upto 14,16,000 Equity Shares face value of Rs.10 each fully paid-up of our Company for cash at a price of Rs. [●] per Equity Share aggregating to Rs. [●] Lakhs.
<b>Out of which:</b>	
<b>Market Maker Reservation Portion</b>	[●] Equity Shares of Rs.10 each fully paid-up of our Company for cash at a price of Rs. [●] per Equity Share aggregating to Rs. [●] Lakhs.
<b>Net Issue to the Public</b>	[●] Equity Shares of Rs.10 each fully paid-up of our Company for cash at a price of Rs. [●] per Equity Share aggregating to Rs. [●] Lakhs.
<b>Out of which:</b>	
[●] Equity Shares of Rs.10 each fully paid-up of our Company for cash at a price of Rs. [●] per Equity Share aggregating to Rs. [●] Lakhs will be available for allocation to Retail Individual Investors <sup>(a)</sup> .	
[●] Equity Shares of Rs.10 each fully paid-up of our Company for cash at a price of Rs. [●] per Equity Share aggregating to Rs. [●] Lakhs will be available for allocation to investor other than Retail Individual Investors <sup>(b)</sup>	
<b>Pre and Post-Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	32,84,694 Equity Shares of Rs.10 each
<b>Equity Shares outstanding after the Issue</b>	Upto 47,00,694 Equity Shares of Rs. 10 each
<b>Objects of the Issue</b>	Please refer to the section titled " <i>Objects of the Issue</i> " beginning on page 61 of this Draft Prospectus.

<sup>(1)</sup> Public issue of upto 14,16,000 Equity Shares face value of Rs.10.00 each for cash at a price of Rs. [●] per Equity Share of our Company aggregating to Rs. [●] Lakhs. This issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details please refer to section "Terms of the Issue" beginning on page 164 of this Draft Prospectus.

The present Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on April 10, 2019, and by our Equity Shareholders pursuant to a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the extraordinary general meeting held on April 12, 2019.

Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253 (2) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

(a) minimum fifty per cent to retail individual investors; 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;

Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

If the retail individual investor category is entitled to more than the allocated portion on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

**SUMMARY OF OUR FINANCIALS**

**ANNEXURE I  
STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED**

Particulars	As at April 30, 2019 Rs. Lacs	As at March 31, 2019 Rs. Lacs
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders' Funds</b>		
Share capital	328.47	1.00
Reserves and surplus	20.28	10.04
	<b>348.75</b>	<b>11.04</b>
<b>Non-Current Liabilities</b>		
Long-term borrowings	95.65	97.86
Deferred tax Liability (Net)	0.64	0.33
	<b>96.29</b>	<b>98.19</b>
<b>Current Liabilities</b>		
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	101.28	101.12
Other current liabilities	239.52	568.07
Short-term provisions	6.04	3.19
	<b>346.84</b>	<b>672.38</b>
<b>TOTAL</b>	<b>791.87</b>	<b>781.62</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Fixed assets		
Tangible assets	285.89	287.39
Intangible assets	3.36	3.42
Long-term loans and advances	159.57	149.40
	<b>448.83</b>	<b>440.20</b>
<b>Current assets</b>		
Inventories	88.57	83.93
Trade receivables	137.21	132.33
Cash and bank balances	102.77	110.18
Short-term loans and advances	7.72	8.20
Other current assets	6.78	6.78
	<b>343.05</b>	<b>341.41</b>
<b>TOTAL</b>	<b>791.87</b>	<b>781.62</b>

*Our Company was incorporated as a public limited company under the Companies Act, 2013 on November 06, 2018 and pursuant to incorporation have taken over the business of Gian Pathology and X Rays on March 01, 2019. The major business transactions (revenue activities) have taken place post the acquisition of the business by our Company i.e. after March 01, 2019.*

**ANNEXURE II**  
**STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED**

Particulars	Period ended April 30, 2019 Rs. Lacs	Period ended March 31, 2019 Rs. Lacs
<b>INCOME</b>		
Revenue from operations	55.32	55.83
Other income	0.60	0.49
<b>Total Revenue</b>	<b>55.92</b>	<b>56.32</b>
<b>EXPENSES</b>		
Cost of materials consumed	7.49	6.62
Employee benefits expense	16.32	11.26
Finance costs	2.83	4.37
Depreciation and amortization expense	2.03	2.09
Other expenses	14.98	18.39
<b>Total Expenses</b>	<b>43.65</b>	<b>42.74</b>
<b>Profit before tax</b>	<b>12.27</b>	<b>13.58</b>
<b>Tax expense:</b>		
Current tax		
Current tax	2.88	3.20
Deferred tax	0.31	0.33
<b>Profit after Tax</b>	<b>9.08</b>	<b>10.04</b>
Earning per equity share		
Basic	<b>0.28</b>	<b>0.31</b>
Diluted	<b>0.28</b>	<b>0.31</b>

*Our Company was incorporated as a public limited company under the Companies Act, 2013 on November 06, 2018 and pursuant to incorporation have taken over the business of Gian Pathology and X Rays on March 01, 2019. The major business transactions (revenue activities) have taken place post the acquisition of the business by our Company i.e. after March 01, 2019.*



**ANNEXURE III  
CASH FLOW STATEMENT, AS RESTATED**

Particulars	Period Ended April 30, 2019 Rs. Lacs	Period Ended March 31, 2019 Rs. Lacs
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net profit before taxation</b>	<b>12.27</b>	<b>13.58</b>
Adjustments for:		
Depreciation/ amortization	2.03	2.09
Interest income	(0.60)	(0.49)
Interest expense	2.77	2.82
<b>Operating profit before working capital adjustment</b>	<b>16.48</b>	<b>18.00</b>
<b>Changes in working capital:</b>		
Inventories	(4.64)	(83.93)
Trade receivables	(4.88)	(132.33)
Loans and advances and other assets	(9.69)	(164.38)
Trade payables	0.16	101.12
Other liabilities and provisions	0.03	560.54
<b>Cash flow generated from operations</b>	<b>(2.53)</b>	<b>299.02</b>
<b>Net cash flow from operating activities</b>	<b>(2.53)</b>	<b>299.02</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets (including intangible assets)	(0.48)	(292.90)
Interest received	0.60	0.49
<b>Net Cash Flow from Investing Activities</b>	<b>0.12</b>	<b>(292.41)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowing	(2.21)	97.86
Interest paid	(2.77)	(2.82)
Proceeds from issue of shares / share warrants	-	1.00
<b>Net Cash Flow From Financing Activities</b>	<b>(4.99)</b>	<b>96.04</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(7.40)</b>	<b>102.66</b>
Cash & Cash Equivalent at the beginning of the year	102.66	-
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>95.26</b>	<b>102.66</b>
<b>Fixed deposits with banks</b>	<b>7.52</b>	<b>7.52</b>
<b>Cash and Bank Balances at the end of the year</b>	<b>102.77</b>	<b>110.17</b>

*Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.*

*The accompanying summary of significant accounting policies, restated notes to accounts and notes on adjustments for restated summary financial information (Annexure IV) are an integral part of this statement.*

### GENERAL INFORMATION

Our Company was incorporated as a public limited company under the Companies Act, 2013 and registered with the Registrar of Companies, Uttar Pradesh, Kanpur, pursuant to a certificate of incorporation dated November 06, 2018. Subsequently, our Company has acquired the entire business of M/s Gian Pathology & X- Ray w.e.f. March 01, 2019 vide the Business Transfer Agreement executed on March 01<sup>st</sup>, 2019. For information relating to business operations of the Company, please refer to chapter titled “*Our Business*” beginning on page 78 of this Draft Prospectus. The Corporate Identity Number of our Company is U85100UP2018PLC110119.

For further details relating to the history of our Company, please refer to the chapter titled “*History and Certain Corporate Matters*” beginning on page 94 of this Draft Prospectus.

#### Brief Company and Issue Information

<b>Registered Office</b>	7/216 (6) Swaroop Nagar, Kanpur, Uttar Pradesh- 208002 India Tele No. 0512-2531860 E-mail: <a href="mailto:info@gianpathlabs.com">info@gianpathlabs.com</a> Website: <a href="http://www.gianpathlabs.com">www.gianpathlabs.com</a>
<b>Date of Incorporation</b>	November 06, 2018
<b>Corporate Registration No.</b>	110119
<b>Corporate Identification No.</b>	U85100UP2018PLC110119
<b>Company Category</b>	Company Limited by Shares
<b>Company Sub-category</b>	Indian Non-Government Company
<b>Address of Registrar of Companies</b>	Registrar of Companies 37/17, Westcott Building, The Mall, Kanpur-208001 Phone: 0512-2310443, 2310227, 2310323 E-mail: <a href="mailto:roc.kanpur@mca.gov.in">roc.kanpur@mca.gov.in</a>
<b>Designated Stock Exchange</b>	SME Platform of BSE P. J Towers, Dalal Street, Mumbai Samachar Marg, Mumbai- 400001, Maharashtra, India
<b>Issue Programme</b>	Issue Opens on: [●] Issue Closes on: [●]
<b>Company Secretary &amp; Compliance Officer</b>	Ms. Astha Chaturvedi Gian Life Care Limited 7/216 (6) Swaroop Nagar, Kanpur, Uttar Pradesh- 208002 India Tele No. 0512-2531860 E-mail: <a href="mailto:cs@gianpathlabs.com">cs@gianpathlabs.com</a>
<b>Chief Financial Officer</b>	Mrs. Avani Gupta Gian Life Care Limited 7/216 (6) Swaroop Nagar, Kanpur, Uttar Pradesh- 208002 India Tele No. 0512-2531860 E-mail: <a href="mailto:info@gianpathlabs.com">info@gianpathlabs.com</a>

#### Investor Grievances

Applicants/Investors can contact the Company Secretary and 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, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of funds by electronic mode etc.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the investors, number of Equity Shares applied for, the application amount paid on submission of the Application Form and the bank branch or collection center where the application was submitted.

All grievances relating to ASBA Process may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the Application Form was submitted. The Investor should give full details such as name of the sole or first Investor, Application Form number, DP ID, Client ID, PAN, details of UPI, date of submission of the Application Form, address of the Investor, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Investor. All grievances relating to Bids submitted through the Registered Broker and/or a Stock Broker may be addressed to the Stock Exchanges with a copy to the Registrar.

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

### Board of Directors of our Company

The Board of Directors of our Company consists of:

Name	Designation	Address	DIN
Mr. Arun Kumar Gupta	Managing Director	7/216(6), Swaroop Nagar, Kanpur Nagar 208002 Uttar Pradesh	01331593
Ms. Rashika Agarwal	Non-Executive Director	7/216 (6) Swaroop Nagar Kanpur 208002 Uttar Pradesh	08275078
Mr. Manoj Kumar Agarwal	Independent Director	Flat No. 604, Pushpi Apartment, Sharda Nagar, Kanpur Nagar, Uttar Pradesh-208025	06488784
Mr. Ashutosh Kumar Asthana	Independent Director	B-303, Parasvnath Prestige sector 93A Noida, Uttar Pradesh-201304	07102975

For further details of the Directors of our Company, please refer to the chapter titled “Our Management” on page 97 of this Draft Prospectus.

### Details of Key Intermediaries pertaining to this Issue and our Company:

<b>Lead Manager to the Issue</b> <b>HEM SECURITIES LIMITED</b> Address: 904, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, India Tel No.: +91-22-4906 0000; Fax No.: +91-22-22625991 Email: <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a> Investor Grievance Email: <a href="mailto:redressal@hemsecurities.com">redressal@hemsecurities.com</a> Website: <a href="http://www.hemsecurities.com">www.hemsecurities.com</a> Contact Person: Mr. Anil Bhargava SEBI Regn. No.: INM000010981	<b>Legal Advisor to the Issue</b> <b>VEDANTA LAW CHAMBERS</b> Address: I Floor, SSK House, B-62, Sahakar Marg, Lal Kothi, Jaipur-302015, Rajasthan, India Tel No.: +91- 141 -2740911, +91- 141 -4014091 Fax No.: +91- 141 -2740911 Email: <a href="mailto:vedantalawchambers@gmail.com">vedantalawchambers@gmail.com</a> Website: <a href="http://www.vedantalawchambers.com">www.vedantalawchambers.com</a> Contact Person: Advocate Nivedita Ravindra Sarda
<b>Registrar to the Issue</b> <b>CAMEO CORPORATE SERVICES LTD.</b> Submaramanian Building, 1 Club House Road, Chennai 600 002. <b>Tel No.:</b> +91-44-40020700 <b>Fax No.:</b> +91-44-2846 0129 <b>E-mail:</b> <a href="mailto:cameo@cameoindia.com">cameo@cameoindia.com</a> ; <a href="mailto:investor@cameoindia.com">investor@cameoindia.com</a> <b>Website:</b> <a href="http://www.cameoindia.com">www.cameoindia.com</a> <b>Contact Person:</b> Mr. R. D. Ramasamy <b>SEBI Registration No:</b> INR000003753	<b>Bankers to the Company*</b> [●]
<b>Statutory Auditor**</b> P.D. DALAL & CO. Address: B 102, Lake Florence, Phase I, ADS Marg, Powai, Mumbai 400076 Tel No.: 022-24384451	<b>Sponsor Bank***</b> [●]

Firm Registration Number: 102047W E-mail: auditpdd@gmail.com Peer Review Certificate Number: 011674 Contact Person: Aashish S Kakaria	
<b>Banker to the Issue***</b>	
[●]	

*\*We are in the process of obtaining consent and NOC from banker to the company. The same shall be obtained prior to filing of the Prospectus with the RoC.*

*\*\*M/s. P D Dalal & Co, Chartered Accountants, holds a valid peer reviewed certificate dated May 21, 2019 issued by the Institute of Chartered Accountants of India.*

*\*\*\*The Banker to the Issue and Sponsor Bank shall be appointed prior to filing of the Prospectus with the RoC.*

## STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES

Since Hem Securities Limited is the sole LM to this Issue, a statement of inter se allocation of responsibilities among LM is not required.

## SELF CERTIFIED SYNDICATE BANKS (“SCSBS”)

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on the website of SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and as updated from time to time. For more information on the Designated Branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, see the above-mentioned SEBI link.

## REGISTERED BROKERS

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the Stock Exchange at [www.bseindia.com](http://www.bseindia.com), as updated from time to time.

## REGISTRAR TO THE ISSUE AND SHARE TRANSFER AGENTS

The list of the RTAs eligible to accept application forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of Stock Exchange at [www.bseindia.com](http://www.bseindia.com), as updated from time to time and on SEBI website at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes).

## 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 [www.bseindia.com](http://www.bseindia.com), as updated from time to time and SEBI website at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes).

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

## BROKERS TO THE ISSUE

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

## CREDIT RATING

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

## IPO GRADING

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

**TRUSTEES**

As the Issue is of equity Shares, the appointment of Trustees is not mandatory.

**MONITORING AGENCY**

As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs.10000 Lakhs and hence our Company has not appointed a monitoring agency for this issue.

However, as per the Companies Act, 2013 and SEBI Listing Regulations, the Audit Committee of our Company would be monitoring the utilization of the proceeds of the Issue.

**APPRAISING ENTITY**

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

**FILING OF OFFER DOCUMENT**

Pursuant to Regulation 246(5) of the SEBI (ICDR) Regulations, 2018, the copy of the Draft Prospectus shall also be furnished to the SEBI in a soft copy. However, SEBI will not issue any observation on the Draft Prospectus in terms of regulation 246(2) of the SEBI ICDR 2018. Pursuant to SEBI Circular No SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018; a copy of the Prospectus will be filed online through SEBI Intermediary portal at [www.siportal.sebi.gov.in](http://www.siportal.sebi.gov.in).

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 Office situated at Registrar of Companies, Kanpur, 37/17, Westcott Building, The Mall, Kanpur-208001, India.

**EXPERT'S OPINION**

Except for the reports in the section "*Financial Information of the Company*" and "*Statement of Tax Benefits*" on page 113 and 70 respectively of this Draft Prospectus from the Statutory Auditor, our Company has not obtained any expert opinions. We have received written consent from the Statutory Auditors for inclusion of their name. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act, 1933.

**WITHDRAWAL OF THE ISSUE**

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

If our Company withdraw the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-issue advertisements have appeared and the Stock Exchange will also be informed promptly. The LM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

If our Company withdraw the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to file a fresh Draft Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares offered through the Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

## UNDERWRITING

In terms of Regulation 260 (1) of the SEBI (ICDR) Regulations, 2018, the initial public offer shall be underwritten for hundred per cent of the offer and shall not be restricted upto the minimum subscription level and as per sub regulation (2) The lead manager(s) shall underwrite at least 15% of the issue size on their own account(s).

Our Company and Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated [•] and pursuant to the terms of the underwriting agreement, obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being offered through this Issue. The Company and the LM to the Issue hereby confirm that the Issue is 100% Underwritten by the Underwriter [•].

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

Name, Address, Telephone, and Email of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakhs)	% of Total Issue Size Underwritten
[•]			

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

As per Regulation 260 (2) of SEBI (ICDR) Regulations, the LM has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account.

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

### Change in Auditors during the last three (3) years

Except as stated below, there have been no changes in our Company's auditors in the last three (3) years:

Details of Auditor	Date of Change	Reason
Mittal Gupta & Co. Chartered Accountant FRN: 001874C	Incorporation	Appointment of Auditor
Mittal Gupta & Co. Chartered Accountant FRN: 001874C	May 01, 2019	Resignation of Auditor
P.D. Dalal & Co. Chartered Accountant FRN: 102047W	May 17, 2019	Appointment of Auditor

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

Our Company and the LM has entered into Market Making Agreement dated [•] with the following Market Maker, to fulfill the obligations of Market Making for this issue:

<b>Name</b>	[•]
<b>Correspondence Address:</b>	
<b>Tel No.:</b>	

<b>Fax No.:</b>	
<b>E- mail:</b>	
<b>Website:</b>	
<b>Contact Person:</b>	
<b>SEBI Registration No.:</b>	
<b>BSE Market Maker Registration No.</b>	

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

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the SME Platform of BSE and SEBI from time to time.
3. 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 sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
4. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform of BSE (in this case currently the minimum trading lot size is [•] equity shares; however the same may be changed by the SME Platform of BSE from time to time).
5. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2 way quotes.
6. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
7. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
8. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
9. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of the Equity shares on the Stock Exchange.
10. The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
11. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while *force-majeure* will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final

12. The Market Maker(s) shall have the right to terminate said arrangement by giving a six months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement.
13. 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 LM 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 261 of the SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the LM 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 particular point of time. The Market Making Agreement is available for inspection at our office from 11.00 a.m. to 5.00 p.m. on working days.
14. Risk containment measures and monitoring for Market Makers: SME portal of BSE "BSE SME" will have all margins, which are applicable on the BSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
15. 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.
16. Price Band and Spreads: The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
17. 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 are as follows:

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

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



**CAPITAL STRUCTURE**

Set forth below are the details of the Equity Share Capital of our Company as on the date of this Draft Prospectus.

(₹ in Lacs, except share data)

S. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
A	<b>Authorized Share Capital</b> 50,00,000 Equity Shares having Face Value of ₹ 10/- each	500.00	-
B	<b>Issued, Subscribed &amp; Paid-up Share Capital prior to the Issue</b> 32,84,694 Equity Shares having Face Value of ₹10/- each	328.47	-
C	<b>Present Issue in terms of this Draft Prospectus*</b> Upto 14,16,000 Equity Shares having Face Value of ₹ 10/- each at a Premium of ₹ [●] per share	141.60	[●]
	<b>Which Comprises</b>		
I.	<b>Reservation for Market Maker portion</b> [●] Equity Shares of ₹ 10/- each at a premium of [●] per Equity Share	[●]	[●]
II.	<b>Net Issue to the Public</b> [●] Equity Shares of ₹ 10/- each at a premium of [●] per Equity Share	[●]	[●]
	<b>of which</b>		
	[●] Equity Shares of ₹ 10/- each at a premium of ₹ [●] per Equity Share will be available for allocation for allotment to Retail Individual Investors of up to ₹ 2.00 Lacs	[●]	[●]
	[●] Equity Shares of ₹ 10/- each at a premium of ₹ [●] per Equity Share will be available for allocation for allotment to Non-Institutional investors of above ₹ 2.00 Lacs	[●]	[●]
D	<b>Paid up Equity capital after the Issue</b> Upto 47,00,694 Equity Shares having Face Value of ₹10/- each	470.07	-
E	<b>Securities Premium Account</b> Before the Issue After the Issue		1.15 [●]

\*The present Issue of upto 14,16,000 Equity Shares in terms of Draft Prospectus has been authorized pursuant to the resolution passed in the Meeting of Board of Directors dated April 10, 2019 and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the Extra Ordinary General Meeting of the members held on April 12, 2019.

**Classes of Shares**

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

**Details of Changes in Authorized Share Capital of our Company:**

Date of Meeting	AGM/EGM	Changes in Authorized Share Capital
Upon Incorporation	--	Authorized share capital of the Company was ₹10.00 Lakhs divided into 1,00,000 Equity Shares of ₹10/- each.
05.04.2019	EGM	Increase in authorized share capital from ₹10.00 Lakhs divided into 1,00,000 Equity Shares of ₹10/- each to ₹500.00 Lakhs divided into 50,00,000 Equity Shares of ₹10/- each.

**Notes to Capital Structure****1. Equity Share Capital History of our Company:**

a) The following table sets forth details of the history of the Equity Share capital of our Company:

Date of Allotment	No. of Equity	Face Valu	Issue Price	Nature of Considerat	Nature of Allotment	Cumulativ e No. of	Cumulative Paid Up	Cumulative Securities
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Equity Shares	Shares allotted	e (₹)	(₹)	ion		Equity Shares	Capital (₹)	Premium (₹)
On Incorporation	10,000	10	10	Cash	Subscription to MOA <sup>(i)</sup>	10,000	1,00,000	-
10.04.2019	6506	10	5051	Other than Cash	Private Placement <sup>(ii)</sup>	16506	1,65,060	3,27,96,746
12.04.2019	32,68,188	10	N.A.	Other than Cash	Bonus <sup>(iii)</sup>	32,84,694	3,28,46,940	1,14,866

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

Notes:

- (i) *Initial Subscribers to the Memorandum of Association subscribed 10,000 Equity Shares of Face Value of Rs.10/- each fully paid at par, details of which are given below:*

S. No.	Name of Subscribers	Number of Shares Subscribed
1.	Mr. Arun Kumar Gupta	9297
2.	Mrs. Avani Gupta	500
3.	Ms. Rashika Agarwal	100
4.	Mr. Devang Agarwal	100
5.	Mr. Manjeet Singh	1
6.	Mr. Pravin Tomar	1
7.	Ms. Akanksha Gupta	1
<b>Total</b>		<b>10,000</b>

- (ii) *Private Placement of 6506 Equity Shares of Face Value of Rs. 10/- each fully paid pursuant to the acquisition of the running business of Gian Pathology and X Rays:*

S. No.	Name of Allottee(s)	Number of Shares Alloted
1.	Mr. Arun Kumar Gupta	6506
<b>Total</b>		<b>6506</b>

- (iii) *Bonus allotment of 32,68,188 Equity Shares of Face Value of Rs. 10/- each fully paid in the ratio 198:1 i.e.198 Bonus Equity Share for every 1 Equity Share held:*

S. No.	Name of Allottee(s)	Number of Shares Alloted
1.	Mr. Arun Kumar Gupta	31,28,994
2.	Mrs. Avani Gupta	99,000
3.	Ms. Rashika Agarwal	19,800
4.	Mr. Devang Agarwal	19,800
5.	Mr. Manjeet Singh	198
6.	Mr. Pravin Tomar	198
7.	Ms. Akanksha Gupta	198
<b>Total</b>		<b>32,68,188</b>

b) As on the date of this Draft Prospectus, our Company does not have any preference share capital.

## 2. Details of Allotment made in the last two years preceding the date of the Draft Prospectus:

Except as mentioned in point 1 above, we have not issued any Equity Share in the last two years preceding the date of the Draft Prospectus.

## 3. Issue of Equity Shares for consideration other than cash

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

Date of Allotment	Number of Equity	Face Value	Issue Price	Reasons for Allotment	Benefits Accrued to our Company	Name of Allottees	No. of Shares
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	Shares	(₹)	(₹)				Allotted
April 10, 2019	6506	10	5051	Private Placement	Pursuant to acquisition of the running business of Gian Pathology and X Rays	Mr. Arun Kumar Gupta	6506
April 12, 2019	32,68,188	10	NIL	Bonus in the ratio of 198:1 i.e. 198 Equity Share for every 1 Equity Share held	Capitalization of Reserves & Surplus	Mr. Arun Kumar Gupta	31,28,994
						Mrs. Avani Gupta	99,000
						Ms. Rashika Agarwal	19,800
						Mr. Devang Agarwal	19,800
						Mr. Manjeet Singh	198
						Mr. Pravin Tomar	198
						Ms. Akanksha Gupta	198

- No Equity Shares have been allotted pursuant to any scheme approved under section 230-233 of the Companies Act, 2013 or under the corresponding provisions of the Companies Act, 1956.
- Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.
- We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
- Except as mentioned below, no Equity shares have been issued which may be at price below the Issue price within last one year from the date of the Draft Prospectus.

Date of Allotment	Allottees	No. of Equity Shares allotted	Face Value (in ₹)	Issue Price (in ₹)	Reason for Allotment	Category of Allottees
April 12, 2019	Mr. Arun Kumar Gupta	31,28,994	10	NIL	Bonus in the ratio of 198:1 i.e. 198 Equity Share for every 1 Equity Share held	Promoter
	Mrs. Avani Gupta	99,000				Promoter Group
	Ms. Rashika Agarwal	19,800				Promoter Group
	Mr. Devang Agarwal	19,800				Promoter Group
	Mr. Manjeet Singh	198				Public
	Mr. Pravin Tomar	198				Public
	Ms. Akanksha Gupta	198				Promoter Group
<b>Total</b>		<b>32,68,188</b>				

### 8. Capital Buildup in respect of Shareholding of our Promoters

As on the date of this Draft Prospectus, our Promoter Mr. Arun Kumar Gupta holds 31,44,797 Equity Shares of our Company. None of the Equity Shares held by our Promoter are subject to any pledge.

Set forth below is the build-up of the shareholding of our Promoter in our Company since incorporation.

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares*	Face Value Per Share (₹)	Issue/ Acquisition/ Transfer Price (₹)	Nature of Transactions	Pre-Issue Shareholding %	Post-Issue Shareholding %	Consideration
<b>Mr. Arun Kumar Gupta</b>							
November 06, 2018	9297	10	10	Subscriber to MOA	0.28	[●]	Cash
April 10, 2019	6506	10	5051	Acquisition of Business	0.20	[●]	Other than Cash
April 12, 2019	31,28,994	10	NIL	Bonus	95.26	[●]	Other than Cash
<b>Total</b>	<b>31,44,797</b>				<b>95.74</b>	<b>[●]</b>	

9. The average cost of acquisition of or subscription of shares by our Promoter is set forth in the table below:

S. No.	Name of the Promoter	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Mr. Arun Kumar Gupta	31,44,797	10.48

\*As certified by our statutory auditor vides their certificate date June 27, 2019.

10. Shareholding of Promoter and Promoter Group

Following are the details of pre and post Issue shareholding of persons belonging to the category “Promoter and Promoter Group”:

S. No	Names	Pre IPO		Post IPO	
		Shares Held	% Shares Held	Shares Held	% Shares Held
<b>Promoters</b>					
1.	Mr. Arun Kumar Gupta	31,44,797	95.74	31,44,797	[●]
<b>Sub Total (A)</b>		<b>31,44,797</b>	<b>95.74</b>	<b>31,44,797</b>	<b>[●]</b>
<b>Promoter Group</b>					
1.	Mrs. Avani Gupta	99,500	3.03	99,500	[●]
2.	Ms. Rashika Agarwal	19,900	0.61	19,900	[●]
3.	Mr. Devang Agarwal	19,900	0.61	19,900	[●]
4.	Ms. Akanksha Gupta	199	0.01	199	[●]
<b>Sub Total (B)</b>		<b>1,39,499</b>	<b>4.26</b>	<b>1,39,499</b>	<b>[●]</b>
<b>GRAND TOTAL (A+B)</b>		<b>32,84,296</b>	<b>99.99</b>	<b>32,84,296</b>	<b>[●]</b>

11. Except as provided below, there are no Equity Shares acquired/ purchased/ sold by the Promoter and Promoter Group, Directors and their immediate relatives within six months immediately preceding the date of filing of this Draft Prospectus:

Date of Transaction	Number of Equity Shares Allotted/ Acquired/Sold	Face Value (Rs.)	Issue Price/ Acquired Price (Rs.)*	Nature	Nature of Consideration	Name of the Allottees/ Transferor/transferee	Category
April 10, 2019	6506	10	5051	Allotment	Acquisition by way of Business Purchase	Mr. Arun Kumar Gupta	Promoter
April 12, 2019	31,28,994	10	NIL	Allotted by way of Bonus in the ratio of 198:1	NIL	Mr. Arun Kumar Gupta	Promoter
	99,000					Mrs. Avani Gupta	Promoter group
	19,800					Mr. Devang Agarwal	
	19,800					Ms. Rashika Agarwal	
	198					Ms. Akanksha Gupta	

\*The maximum and minimum price at which the aforesaid transaction was made is Rs. 5051 and Nil per Equity Share respectively.

12. Details of Promoter’s Contribution Locked-in for Three Years

Date of Allotment/Acquisition and Date when made Fully paid up	No. of shares Allotted/Acquired	Face Value	Issue Price/ Acquisition Price	Nature of Allotment	% Pre-Issue paid up capital (in shares)	% Post issue paid up capital (in shares)	Lock-In Period
<b>Mr. Arun Kumar Gupta</b>							
April 12, 2019	9,70,000	10	NIL	Bonus Issue	29.53	[●]	3 Years
<b>Total</b>	<b>9,70,000</b>	<b>10</b>			<b>29.53</b>	<b>[●]</b>	

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as "promoter" under the SEBI ICDR Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoters' Contribution as per Regulation 239 of SEBI (ICDR) Regulations, 2018 and are being locked in for 3 years as per Regulation 238 SEBI (ICDR) Regulations, 2018 i.e. for a period of three years from the date of allotment of Equity Shares in this issue.

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

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

Our Promoter, Mr. Arun Kumar Gupta has, by a written undertaking, consented to have 9,70,000 equity shares held by it to be locked in as Minimum Promoters Contribution for a period of three years from the date of allotment in this Issue and will not be disposed / sold / transferred by the promoters during the period starting from the date of filing the Draft Prospectus with SME Platform of BSE till the date of commencement of lock-in period as stated in the Draft Prospectus. The Equity Shares under the Promoter contribution will constitute 20.64% of our post-issue paid up share capital.

Our Promoter has also consented that the Promoters contribution under Regulation 236 SEBI (ICDR) Regulations, 2018 will not be less than 20% of the post issue paid up capital of our Company.

#### **Eligibility of Share for Minimum Promoters Contribution in terms of clauses of Regulation 236 of the SEBI (ICDR) Regulations, 2018**

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

### Details of Promoters' Contribution Locked-in for One Year

In terms of Regulation 238(b) and 239 SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoters contribution which is locked in for three years, as specified above, the entire pre-issue equity share capital constituting 23,14,694 Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

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

### Other requirements in respect of lock-in:

- a) In terms of Regulation 242 of SEBI (ICDR) Regulations, 2018, the locked in Equity Shares held by the Promoter, as specified above, can be pledged with any scheduled commercial bank or public financial institution as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.
- b) In terms of Regulation 243 of SEBI (ICDR) Regulations, 2018, the Equity Shares held by persons other than the Promoter prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 238 or 239 of SEBI (ICDR) Regulations, 2018, 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.
- c) Further in terms of Regulation 243 of SEBI (ICDR) Regulations, 2018, the Equity Shares held by the Promoters may be transferred to and amongst the Promoter Group or to new promoters or persons in control of the Issuer subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

### 13. Shareholding Pattern of the Company

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

## I - Our Shareholding Pattern:-

Category	Category of shareholder	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class Equity Shares of Rs.10/- each^	Class eg: y	Total								
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX				X	XI=VII+X	XII		XIII		XIV
(A)	Promoter & Promoter Group	5	32,84,296	-	-	32,84,296	99.99	32,84,296	-	32,84,296	99.99	-	-	[•]	-	-	9,998	
(B)	Public	2	398	-	-	398	0.01	398	-	398	0.01	-	-	[•]	-	-	2	
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Total</b>	<b>7</b>	<b>32,84,694</b>	<b>-</b>	<b>-</b>	<b>32,84,694</b>	<b>100.00</b>	<b>32,84,694</b>	<b>-</b>	<b>32,84,694</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>[•]</b>	<b>-</b>	<b>-</b>	<b>10,000</b>	

\*As on date of this Draft Prospectus 1 Equity share holds 1 vote.

^ We have only one class of Equity Shares of face value of Rs. 10/- each.

Our Company has entered into tripartite agreement with CDSL & NSDL for demat of shares.

Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the Website of the BSE SME Platform before commencement of trading of such Equity Shares.

The above dematerialized shares does not include the preferential allotment and Bonus issue shares which are in the process of Dematerialization.

**II – Shareholding pattern of the Promoter and Promoter Group**

S. No.	Category & Name of the Shareholders	No. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	Nos. of shares underlying Depository Receipts	Total nos. shares held	Shareholding (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) as a % of A+B+C2	Number of Locked in shares		Number of Shares pledged or otherwise		Number of equity shares held in dematerialized form	
								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 Equity Shares of Rs.10/- each	Class Y	Total								
	<b>I</b>	<b>II</b>	<b>III</b>	<b>IV</b>	<b>V</b>	<b>VI=III+IV+V</b>	<b>VII</b>	<b>VIII</b>			<b>IX</b>	<b>X = VI+ IX</b>	<b>XI</b>	<b>XII</b>	<b>XIII</b>			
(1)	Indian																	
(a)	Individuals/ Hindu undivided Family	5	32,84,296	-	-	32,84,296	99.99	32,84,296	-	32,84,296	99.99	-	99.99	[●]	-	10,000		
	Mr. Arun Kumar Gupta	1	31,44,797	-	-	31,44,797	95.74	31,44,797		31,44,797	95.74	-	95.74	[●]	-	9297		
	Mrs. Avani Gupta	1	99,500	-	-	99,500	3.03	99,500		99,500	3.03	-	3.03	[●]	-	500		
	Ms. Rashika Agarwal	1	19,900	-	-	19,900	0.61	19,900		19,900	0.61	-	0.61	[●]	-	100		
	Mr. Devang Agarwal	1	19,900			19,900	0.61	19,900		19,900	0.61		0.61	[●]		100		
	Ms. Akanksha Gupta	1	199			199	0.01	199		199	0.01		0.01	[●]		1		
(b)	Central Government/ State Government(s)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
(c)	Financial Institutions/ Banks	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
(d)	Any Other	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Body Corporate	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	<b>Sub-Total (A)(1)</b>	<b>5</b>	<b>32,84,296</b>	<b>-</b>	<b>-</b>	<b>32,84,296</b>	<b>99.99</b>	<b>32,84,296</b>	<b>-</b>	<b>32,84,296</b>	<b>99.99</b>	<b>-</b>	<b>99.99</b>	<b>[●]</b>	<b>-</b>	<b>10,000</b>		
(2)	Foreign	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
(a)	Individuals (Non-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		



	Resident Individuals/ Foreign Individuals)															
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A)(2)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>5</b>	<b>32,84,296</b>	-	-	<b>32,84,296</b>	<b>99.99</b>	<b>32,84,296</b>	-	<b>32,84,296</b>	<b>99.99</b>	-	<b>99.99</b>	-	-	<b>10,000</b>

\*As on date of this Draft Prospectus 1 Equity share holds 1 vote.

### III- Shareholding pattern of the Public shareholder

S. No.	Category & Name of the Shareholders	No. of shareholders	No. of fully paid up shares held	Partly paid-up equity shares held	Nos. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % (calculated as per SCRR, 1957)  As a % of (A+B+C 2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Total Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of Total Voting rights			No.	As a % of total shares held (b)	No. (not applicable) (a)	As a % of total shares held (not applicable)(b)	
								Class Equity Shares of Rs.10/- each	Class Y	Total								
	I	II	III	IV	V	VI=III+I V+V	VII	VIII				IX	X= VI+ IX	XI		XII		XIII
<b>(1)</b>	<b>Institutions</b>																	
(a)	Mutual Funds	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Venture Capital Funds	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(d)	Foreign Venture Capital Investors	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investors	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Financial Institutions/ Banks	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Insurance Companies	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/ Pension Funds	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Any Other	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (B)(1)</b>	<b>0</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	<b>Central Government/ State Government(s)/ President of India</b>	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (B)(2)</b>	<b>0</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3)	<b>Non-institutions</b>															
(a)	Individuals															
	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	2	398	-	-	398	0.01	398	-	398	0.01	-	-	[●]	-	2
	Manjeet Singh	1	199	-	-	199	00.00	199		199	00.00			[●]	-	1
	Pravin Tomar	1	199	-	-	199	00.00	199		199	00.00			[●]	-	1
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	NBFCs registered with RBI	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Employee Trusts	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other Body Corporate	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	<b>Sub-Total (B)(3)</b>	<b>2</b>	<b>398</b>	-	-	<b>398</b>	<b>0.01</b>	<b>398</b>	-	<b>398</b>	<b>0.01</b>	-	-	[●]	-	<b>2</b>
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)</b>	<b>2</b>	<b>398</b>	-	-	<b>398</b>	<b>0.01</b>	<b>398</b>	-	<b>398</b>	<b>0.01</b>	-	-	[●]	-	<b>2</b>

**IV - Shareholding pattern of the Non Promoter- Non Public shareholder**

S. No.	Category & Name of the Shareholders	No. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	Nos. of shares underlying Depository Receipts	Total nos. shares held	Shareholding (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrant)	Total Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in Share dematerialized form
								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 Equity Shares of Rs.10/- each	Class Y	Total								
	I	II	III	IV	V	VI=III+IV+V	VII	VIII				IX	X= VI+ IX	XI	XII		XIII	
(1)	Custodian/DR Holder																	
(a)	Name of DR Holder	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub Total (c) (1)</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub Total (C) (2)</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Non-Promoter Non-Public shareholding (C)= (C)(1)+ (C) (2)</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### 14. Details of major shareholders:-

i. List of Shareholders holding 1% or more of the Paid-up Capital of our Company as on date of this Draft Prospectus:

S. No.	Names	Shares Held (Face Value of Rs. 10 each)	% Pre Issue paid up Capital (In Shares)
1.	Mr. Arun Kumar Gupta	31,44,797	95.741
2.	Mrs. Avani Gupta	99,500	3.029
<b>Total</b>		<b>32,44,297</b>	<b>98.77</b>

ii. List of Shareholders holding 1% or more of the Paid-up Capital of the Company ten days prior to the date of this Draft Prospectus:

S. No.	Names	Shares Held (Face Value of Rs. 10 each)	% Pre Issue paid up Capital (In Shares)
1.	Mr. Arun Kumar Gupta	31,44,797	95.741
2.	Mrs. Avani Gupta	99,500	3.029
<b>Total</b>		<b>32,44,297</b>	<b>98.77</b>

iii. Our company has been incorporated on November 06, 2018, hence details of shareholding one year and two years prior to the filing of this Draft Prospectus is not available.

15. As on date of Draft Prospectus, there are 2 (two) Public Shareholders in our Company.

16. Except as provided below no subscription to or sale or purchase of the securities of our Company was made within three years preceding the date of filing of this Draft Prospectus by our Promoter or Directors or Promoter Group which in aggregate equals to or is greater than 1% of the pre-Issue share capital of our Company.

Date of Allotment	Name of Shareholders	No. of Equity Shares allotted	% of Pre-Issue Capital	Subscribed/Acquired/ Transfer	Category of Allottees (Promoter/Promoter Group/Director)
April 12, 2019	Mr. Arun Kumar Gupta	31,28,994	95.26	Allotment	Promoter
	Mrs. Avani Gupta	99,000	3.01	Allotment	Promoter Group

None of our Directors or Key Managerial Personnel holds any Equity Shares other than as set out below as on date of this Draft Prospectus:

S. No.	Name	Designation	No. of Equity Shares held
1.	Mr. Arun Kumar Gupta	Chairman & Managing Director	31,44,797
2.	Mrs. Avani Gupta	Chief Financial Officer	99,500
3.	Ms. Rashika Agarwal	Non-Executive Director	19,900

17. None of our Promoter, Promoter Group, our Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of the Draft Prospectus.

18. Our Company has not made any Initial Public Offer of specified securities in the preceding two years.

19. Neither, we nor our Promoters, Directors and the LM to this Issue have entered into any buyback and / or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.

20. As on the date of filing of this Draft Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer.

21. As on the date of this Draft Prospectus, the entire Issued Share, Subscribed and Paid-up Share Capital of our Company is fully paid up.
22. Our Company has not raised any bridge loan against the proceeds of the Issue.
23. Since the entire issue price in respect of the issue is payable on application, all the successful applicants will be allotted fully paid up equity shares
24. As on the date of this Draft Prospectus, none of the shares held by our Promoters / Promoters Group are subject to any pledge.
25. The Lead Manager i.e. Hem Securities Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of Draft Prospectus.
26. We here by confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Draft Prospectus until the Equity Shares offered have been listed or application money unblocked on account of failure of Issue.
27. Our Company does not presently intend or propose to alter its capital structure for a period of six months from the date of opening of the Issue, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise. This is except if we enter into acquisition or joint ventures or make investments, in which case we may consider raising additional capital to fund such activity or use Equity Shares as a currency for acquisition or participation in such joint ventures or investments.
28. None of our Equity Shares have been issued out of revaluation reserve created out of revaluation of assets.
29. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to 3 years lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
30. Allocation to all categories shall be made on a proportionate basis subject to valid applications received at or above the Issue Price. Under subscription, if any, in any of the categories, except for the QIB, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the LM and Designated Stock Exchange i.e. BSE Limited. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
31. In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, 2018 and its amendments from time to time.
32. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
33. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.
34. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
35. Our Company shall comply with such disclosure and accounting norms as may be specified by BSE, SEBI and other regulatory authorities from time to time.
36. As on the date of this Draft Prospectus, we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme and we do not intend to allot any shares to our employees under Employee Stock Option Scheme/ Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the

Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.

37. There are no Equity Shares against which depository receipts have been issued.
38. Other than the Equity Shares, there is no other class of securities issued by our Company.
39. We have 7(Seven) shareholders as on the date of filing of the Draft Prospectus.
40. There are no safety net arrangements for this public issue.
41. As per RBI regulations, OCBs are not allowed to participate in this issue.
42. Our Promoters and Promoter Group will not participate in this Issue.
43. This Issue is being made through Fixed Price method.
44. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.
45. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
46. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.
47. We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of registering the Prospectus with the RoC and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.

### OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of up to 14,16,000 Equity Shares of our Company at an Issue Price of Rs. [●] per Equity Share. We intend to utilize the proceeds of the Issue to meet the following objects:-

1. To open processing center in nearby cities of Kanpur (Jhansi, Banda, Faizabad, Unnao)
2. To purchase advanced machinery and equipment
3. Repayment/pre-payment, of certain borrowings availed by the Company
4. To meet Working Capital requirements
5. General Corporate Purpose
6. To meet issue expenses

(Collectively referred as the “**Objects**”)

We believe that listing will enhance our corporate image and visibility of brand name of our Company. We also believe that our Company will receive the benefits from listing of Equity Shares on the SME Platform of BSE. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

Our Company is engaged in the healthcare and diagnostic business involving conducting of test on sample for diagnosis of diseases and health status of an individual. The main objects clause of our Memorandum enables our Company to undertake its existing activities and these activities which have been carried out until now by our Company are valid in terms of the objects clause of our Memorandum of Association.

#### Net Proceeds

The details of the Net Proceeds are set forth below:

Particulars	Amt (₹ in Lacs)
Gross Proceeds of the Issue	[●]
Less: Issue related expenses in relation to Issue	[●]
Net Proceeds	[●]

#### Requirement of Funds and Utilization of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details as set forth below:

S. No	Particulars	Amt (₹ in Lacs)
1.	To open processing center in nearby cities of Kanpur (Jhansi, Banda, Faizabad, Unnao)	102.80
2.	To purchase advanced machinery and equipment	123.60
3.	Repayment/pre-payment, of certain borrowings availed by the Company	94.60
4.	To meet Working Capital requirements	[●]
5.	General Corporate Purpose	[●]
	<b>Total</b>	[●]

Our fund requirements and deployment thereof are based on internal management estimates of our current business plans and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs or in other financial conditions, business strategy, as discussed further below.

#### Means of Finance

We intend to finance our Objects of Issue through Net Issue Proceeds which is as follows:

Particulars	Amt (₹ in Lacs)
Net Issue Proceeds	[●]

<b>Total</b>	[●]
--------------	-----

*Since, the entire fund requirement are to be funded from the proceeds of the Issue, there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue.*

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled "Risk Factors" beginning on page 21 of the Draft Prospectus.

#### **Details of Utilization of Net Proceeds**

The details of utilization of the Net Proceeds are set forth herein below:

##### **1. To open processing center in nearby cities of Kanpur (Jhansi, Banda, Faizabad, Unnao)**

As a part of our strategy of increasing our geographical footprint and also increasing our revenue by expanding into new geographies, we intend to expand our reach to cities near Kanpur i.e. Jhansi, Banda, Faizabad, Unnao. With the establishment of additional processing center in these cities we will be able to implement superior operational control and increase cost efficiencies. We believe this will also enable us to further integrate our operations and help us to enter into new geographies where the demand for healthcare and diagnosis facilities are increasing. We propose to invest ₹ 102.80 Lakhs from the Net Proceeds for the purpose of setting up of the proposed processing centres. Below is a break-up of the estimated cost involved in the setting up of new processing centres:-

(Amt in Rs. Lakhs)

Sr. No.	New Processing Centre	Equipment and other setup cost	Office Rent	Staff Salary	Others
1	Jhansi	15.50	0.50	1.00	0.20
2	Banda	15.50	0.50	1.00	0.20
3	Faizabad	15.50	0.50	1.00	0.20
4	Unnao	15.50	0.50	1.00	0.20
<b>per month</b>		--	2.00	4.00	0.80
<b>For six months</b>		<b>62.00</b>	<b>12.00</b>	<b>24.00</b>	<b>4.80</b>
<b>Total</b>		<b>102.80</b>			

##### **2. To purchase advanced machinery and equipment**

In order to further expand our Business, we intend to purchase some major equipments at the above locations Electrolyte Analyser, Fully Automated Five Part Hematology Analyzer: Erba H560, Fully Automated Three Part Hematology Analyzer: Erba H360, Semi Automated Bio-Chemistry Analyzer: Erba Chem-5+V2, Single Channel Semi Automated Homeostasis Analyzer: Erba ECL 105, Semi Auto Biochemistry Analyzer Model: Erba Chem 5X, Semi Automatic Chemistry analyser



and 7 part differential cell counter. The total cost for purchase the equipments will be around Rs. 123.60 lakhs. Below are the details of the equipment which are proposed to be acquired by our company: -

(in Rs. lakhs)

Sr. No.	Model No.	Quantity	Proposed Vendor	Quotation Date	Amount (Inc. of GST)
1.	Electrolyte Analyser	5	Accurex Bio-Medical P. Ltd	May 22, 2019	5.54
2.	Fully Automated Five Part Hematology Analyzer: Erba H560	4	Transasia Bio-Medicals Limited	June 26, 2019	37.05
3.	Fully Automated Three Part Hematology Analyzer: Erba H360.	4	Transasia Bio-Medicals Limited	June 26, 2019	17.70
4.	Semi Automated Bio-Chemistry Analyzer: Erba Chem-5+V2.	4	Transasia Bio-Medicals Limited	June 26, 2019	8.26
5.	Single Channel Semi Automated Homeostasis Analyzer: Erba ECL 105.	4	Transasia Bio-Medicals Limited	June 26, 2019	4.01
6.	Semi Auto Biochemistry Analyzer Model: Erba Chem 5X	4	Transasia Bio-Medicals Limited	June 26, 2019	5.43
7.	Semi Automatic Clinical Chemistry Analyzer	5	Accurex Bio-Medical P. Ltd	May 22, 2019	5.61
8.	Pentra ES 6D (7 part differential cell counter)	4	Horiba India P. Ltd.	May 20, 2019	40.00
<b>TOTAL</b>					<b>123.60</b>

### 3. Repayment/pre-payment, of certain borrowings availed by the Company

Following are the details of the loans availed by our company which we intend to repay out of the Issue proceeds:-

Lender	Date of Loan Agreement	Amount in Rs. Lakhs			Rate of Interest (in % p.a.)	Purpose of loan	Charges in % for per-closure of loan amount.
		Sanctioned Amount	Outstanding as on April 30, 2019	Amount to be repaid			
Allahabad Bank	21.08.2018	39.20	38.65	37.00	8.45%	Housing Finance (Flat)	NIL
Canara Bank	05.11.2015	10.50	5.98	5.00	11.15%	Machinery	NIL
	25.08.2017	20.00	15.04	12.50		Machinery	NIL
Corporation Bank	19.07.2013	8.90	3.71	3.00	11.95%	Machinery (Multi Split Air conditioner)	NIL
	11.08.2016	4.68	2.76	1.75	11.35%	Machinery	NIL
	28.08.2015	15.00	9.89	8.00	11.60%	Machinery	NIL
Punjab National Bank	31.08.2018	10.00	9.87	8.00	12%	Machinery	NIL
Siemens Financial Services	15.12.2015	50.52	24.22	18.27	13.55%	Machinery	4%
	05.09.2014	23.58	3.19	1.09	14%	Machinery	4%
<b>TOTAL</b>		<b>182.38</b>	<b>113.31</b>	<b>94.60</b>			

\* As certified by Statutory Auditors of the Company M/s. P. D. Dalal & Co., Chartered Accountants vide their certificate dated June 27, 2019.

Our Statutory Auditors M/s. P. D. Dalal & Co., Chartered Accountants vide their certificate dated June 27, 2019 has further confirmed that these borrowings have been utilized for the purposes for which they were availed, as provided in the relevant borrowing documents. Payment of pre-payment penalty, if any, shall be paid from the internal accruals of our Company.

We believe that such repayment or prepayment will help reduce our outstanding indebtedness and debt servicing costs and enable utilization of the internal accruals for further investment in business growth and expansion. In addition, we believe

that the leverage capacity of our Company will improve our ability to raise further resources in the future to fund potential business development opportunities and plans to grow our business in the future.

#### 4. To Meet Working Capital Requirement

Our business is working capital intensive as the major capital is invested in trade receivables and inventories. The Company will meet the requirement to the extent of ₹ [●] from the Net Proceeds of the Issue and balance from borrowings at an appropriate time as per the requirement.

Details of Estimation of Working Capital requirement are as follows:

(₹ In Lacs)

S. No.	Particulars	Actual (Restated)	Actual (Restated)	Estimated
		31-March-19	30-April-19	31-March-20
I	<b>Current Assets</b>			
	Inventories	83.93	88.57	[●]
	Trade receivables	132.33	137.21	[●]
	Cash and bank balances	110.18	102.77	[●]
	Short-term loans and advances	8.20	7.72	[●]
	Other current assets	6.78	6.78	[●]
	<b>Total(A)</b>	<b>341.41</b>	<b>343.05</b>	<b>[●]</b>
II	<b>Current Liabilities</b>			
	Trade payables	101.12	101.28	[●]
	Other current liabilities	57.04	66.96	[●]
	Short-term provisions	3.19	6.04	[●]
	<b>Total (B)</b>	<b>161.35</b>	<b>174.28</b>	<b>[●]</b>
III	<b>Total Working Capital Gap (A-B)</b>	<b>180.06</b>	<b>168.77</b>	<b>[●]</b>
IV	<b>Funding Pattern</b>			
	Short Term borrowings (Bank Overdraft)	180.06	168.77	[●]
	<b>IPO Proceeds</b>			<b>[●]</b>

#### Justification:

S. No.	Particulars
<b>Inventories</b>	We expect Inventories turnover days to be at [●] Days for F.Y. 2019-20 based on [●]
<b>Debtors</b>	We expect Debtors Holding days to be at [●] Days for F.Y. 2019-20 based on [●]
<b>Creditors</b>	We expect Creditors payments days to be [●] days for F.Y. 2019-20 due to [●]

#### 5. General Corporate Purpose

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 deploy the balance Fresh Issue proceeds aggregating ₹ [●] towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act, 2013.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in the Draft Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

## 6. Public Issue Expenses

The total estimated Issue Expenses are Rs. [●], which is [●] % of the total Issue Size. The details of the Issue Expenses are tabulated below:

Activity	(Rs. in Lakh)*	As a % of Estimates Issue Expenses	As a % of Issue Size
Lead Manger Fees	[●]	[●]	[●]
Underwriting Commission	[●]	[●]	[●]
Market Making Charges for first year of Listing	[●]	[●]	[●]
Fees Payable to Registrar to the Issue	[●]	[●]	[●]
Fees Payable to Advertising and Marketing Expenses	[●]	[●]	[●]
Fees Payable to Regulators including Stock Exchanges	[●]	[●]	[●]
Payment for Printing & Stationery, Distribution, Postage, etc.	[●]	[●]	[●]
Others (Fees Payable to Auditor, Legal Advisors, Brokerage*, Processing Fees* and Miscellaneous Expenses)	[●]	[●]	[●]
<b>Total</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>

\* Includes commission/Processing fees of Rs. [●] per valid application forms for SCSB's. In case the total processing fees payable to SCSBs exceeds Rs. [●] lakh, then the amount payable to SCSBs would be proportionately distributed based on the number of valid applications such that the total Processing Fees payable does not exceed Rs. [●] lakh.

### Proposed Schedule of Implementation:

The proposed year wise break up of deployment of funds and Schedule of Implementation of Net Issue Proceeds is as under:  
(₹ In Lakhs)

S. No.	Particulars	Amount to be deployed and utilized in
		F.Y. 19-20
1.	To open processing center in nearby cites of Kanpur (Jhansi, Banda, Faizabad, Unnao)	102.80
2.	To purchase advanced machinery and equipment	123.60
3.	Repayment/pre-payment, of certain borrowings availed by the Company	94.60
4.	To meet Working Capital requirements	[●]
5.	General Corporate Purpose	[●]
6.	Issue Expenses	[●]
	<b>Total</b>	<b>[●]</b>

### Funds Deployed and Source of Funds Deployed:

[●], Chartered Accountants vide their certificate dated [●] have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amt (₹ in Lakh)
Issue Expenses	[●]
<b>Total</b>	<b>[●]</b>

### Sources of Financing for the Funds Deployed:

[●], Chartered Accountants vide their certificate dated [●] have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amt (₹ in Lakh)
Internal Accruals	[●]
<b>Total</b>	<b>[●]</b>

## **Appraisal**

None of the Objects have been appraised by any bank or financial institution or any other independent third party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on available quotations and management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including but not limited to variations in interest rate structures, changes in our financial condition and current commercial conditions of our Business and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

## **Shortfall of Funds**

Any shortfall in meeting the fund requirements will be met by way of internal accruals and or unsecured Loans.

## **Bridge Financing Facilities**

As on the date of the Draft Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds.

## **Monitoring Utilization of Funds**

As the size of the Issue will not exceed Rs.10,000 Lakhs, the appointment of Monitoring Agency would not be required as per Regulation 262(1) of the SEBI ICDR Regulations. Our Board and the management will monitor the utilization of the Net Issue Proceeds through our audit committee. Pursuant to Regulation 32 of the SEBI Listing Regulations, 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.

## **Interim Use of Proceeds**

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

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 or investing in any real estate product or real estate linked products.

## **Variation in Objects**

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoters or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

## **Other confirmations**

There is no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel, in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our Directors or key managerial personnel except in the normal course of business and in compliance with the applicable laws.

### BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled “**Risk Factors**”, the details about our Company under the section titled “**Our Business**” and its financial statements under the section titled “**Financial Information of the Company**” beginning on page 21, 78 and 113 respectively of the Draft Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

The Issue Price will be determined by our Company in consultation with the LM on the basis of the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10.00 each and the Issue Price is Rs. [●] times of the face value.

#### QUALITATIVE FACTORS

We believe the following business strengths allow us to successfully compete in the industry:

- Wide range of specialized tests with an emphasis on wellness and preventive healthcare.
- Experienced leadership team with strong industry expertise and successful track record.
- Customer centric approach and focus on customer satisfaction
- Quality Compliance

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “**Our Business**” beginning on page 78 of the Draft Prospectus.

#### QUANTITATIVE FACTORS

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled “**Financial Information of the Company**” on page 113 of this Draft Prospectus.

Some of the quantitative factors which may form the basis for calculating the Issue Price are as follows:

#### **1. Basic & Diluted Earnings per share (EPS) (Face value of Rs. 10 each), as adjusted for change in capital (including effect of bonus issue of shares made on April 12, 2019):**

As per the Restated Financial Statements;

Sr. No	Period	Basic & Diluted (₹)	Weights
1.	Period ending March 31, 2019*	0.31	1
2.	Period ending April 30, 2019**	0.28	2
	<b>Weighted Average</b>	<b>0.29</b>	

\*Not Annualized. Include period from incorporation of the company (November 06, 2019) to March 31, 2019.

\*\*Not Annualized. Include period from April 01, 2019 to April 30, 2019.

Notes:

- i. The figures disclosed above are based on the Restated Financial Statements of the Company.
- ii. The face value of each Equity Share is ₹10.00.
- iii. Earnings per Share has been calculated in accordance with **Accounting Standard 20 – “Earnings per Share”** issued by the Institute of Chartered Accountants of India.
- iv. The above statement should be read with **Significant Accounting Policies and the Notes to the Restated Financial Statements** as appearing in Annexure IV.
- v. **Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of equity shares outstanding during the year/ period**
- vi. **Diluted Earnings per Share = Net Profit/ (Loss) after tax, as restated attributable to equity shareholders / Weighted average number of diluted potential equity shares outstanding during the year/ period.**

**Price Earning (P/E) Ratio in relation to the Issue Price of Rs. [●]**

Particulars	(P/E) Ratio
P/E ratio based on the Basic & Diluted EPS, as restated for period ending March 31, 2019.	[●]
P/E ratio based on the Weighted Average EPS, as restated.	[●]

Industry P/E Ratio*	
Highest (Dr. Lal Path Labs Ltd)	48.15
Lowest (Thyrocare Technologies Ltd)	25.97
Industry Average	37.06

\*For the purpose of industry, we believe the Dr. Lal Path Labs Ltd and Thyrocare Technologies Ltd are the listed peer Companies engaged in the similar line of business segment i.e. diagnostic and healthcare services, business segment in part or full may be comparable with that of our business, however, the same may not be exactly comparable in size or business portfolio on a whole with that of our business.

**Note:**

- The P/E ratio has been computed by dividing Issue Price with EPS.
- P/E Ratio has been computed based on the closing market price of peer group's equity shares on June 19, 2019 at BSE Limited, as divided by the Basic EPS provided as per the Annual report for the period ending 2018-19

**3. Return on Net worth (RoNW)\***

Sr. No	Period	RoNW (%)*	Weights
1.	Period ending March 31, 2019**	90.94	1
2.	Period ending April 30, 2019***	2.60	2
	<b>Weighted Average</b>	<b>32.05</b>	

\*Restated Profit after tax/Net Worth

\*\*Not Annualized. Include period from incorporation of the company (November 06, 2019) to March 31, 2019.

\*\*\*Not Annualized. Include period from April 01, 2019 to April 30, 2019.

**Note:**

- The RoNW has been computed by dividing net profit after tax (excluding exceptional items) with restated Networth as at the end of the year/period

**4. Net Asset Value (NAV) per Equity Share:**

Sr. No.	NAV per Equity Share	Amt. in Rs.
1.	As at March 31, 2019	0.34
2.	As at April 30, 2019	10.62
3.	NAV per Equity Share after the Issue	[●]
4.	Issue Price	[●]

**Note:**

- The NAV per Equity Share has been computed by dividing restated networth with total number of equity shares outstanding at the end of the year/period (based on weighted number of shares).

**6. Comparison of Accounting Ratios with Industry Peers**

Name of Company	Current Market Price (Rs.)	Face Value (Rs.)	EPS * (Rs.)	PE	RoNW (%) *	Book Value (Rs.)	Total Income (Rs. in crores)
Gian Life Care Limited	[●]	10.00	0.31	[●]	90.94	110.44	0.55
<b>Peer Group</b>							
Dr. Lal Path Labs Ltd	1103.50	10.00	24.19	48.15	21.20	113.46	1203.40

Thyrocare Technologies Ltd	467.50	10.00	17.84	25.97	20.89	86.32	370.28
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\*not annualized

**Notes:**

i) Current Market Price (CMP) is taken as the closing price of respective scrips as on June 19, 2019 at BSE Limited. For our Company, we have taken CMP as the issue price of equity share. Further, P/E Ratio is based on the CMP of the respective scrips.

ii) The EPS, NAV, RoNW and revenue from operations of the Company are taken as per Restated Financial Statement for the Financial Year 2018-19

iii) The Figures of industry peers are taken from the Annual Reports (Standalone results) uploaded on the website of the Stock Exchange(s).

iv) NAV per share is computed as the closing net worth divided by the closing outstanding number of paid up equity shares.

v) P/E Ratio has been computed based on the closing market price of peer group's equity shares on June 19, 2019 at BSE Limited, as divided by the Basic EPS provided as per the Annual report for the period ending 2018-19.

vi) RoNW has been computed as net profit after tax divided by closing net worth.

vii) Net worth has been computed in the manner as specifies in Regulation 2(1)(hh) of SEBI (ICDR) Regulations, 2018.

viii) The face value of Equity Shares of our Company is Rs. 10/- per Equity Share and the Issue price is [●] times the face value of equity share.

The Issue Price of ₹ [●] will be determined by our Company in consultation with the LM and will be justified by us in consultation with the LM on the basis of the above information. Investors should read the abovementioned information along with "**Our Business**", "**Risk Factors**" and "**Restated Financial Statements**" on pages 78, 21 and 113 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "Risk Factors" or any other factors that may arise in the future and you may lose all or part of your investments.

**STATEMENT OF POSSIBLE TAX BENEFIT**

To,  
The Board of Directors,  
Gian Life Care Limited  
Kanpur.

Dear Sirs,

Sub: Statement of possible special tax benefits available to the Company and its shareholders on proposed Public Issue of Shares under the existing tax laws

We hereby confirm that the enclosed annexure, prepared by the Management of Gian Life Care Limited (“the Company”), states the possible special tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 (“Act”), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not fulfill.

The benefit discussed in the enclosed annexure covers only special tax benefits available to the Company & the Shareholders and does not include any general tax benefits available to the Company and the Shareholders. Further, the preparation of enclosed annexure and the contents stated therein is the responsibility of the Company’s management. We are informed that, this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. 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 proposed initial public offering of equity shares (“the Issue”) by the Company.

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

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

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

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

We shall not be liable to Gian Life Care Limited for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith of intentional misconduct.

**For P.D. Dalal & Co.,  
(Chartered Accountant)  
Firm Registration No. 102047W**

**Sd/-  
(Aashish S. Kakaria)  
(Partner)  
Membership No. 102915**

**Date:** June 27, 2019  
**Place:** Mumbai



**ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO GIAN LIFE CARE LIMITED AND ITS SHAREHOLDERS**

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

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

- A. SPECIAL TAX BENEFITS TO THE COMPANY: - NIL
- B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER: - NIL

Notes:

All the above benefits are as per the provisions of the Income-tax Act, 1961, Income-tax Rules, circulars and notifications as amended by Finance Act presently in force in India. They shall be available only to the sole/ first named holder in case the shares are held by the joint holders.

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

In view of the individual nature of tax consequences, each investor is advised to consult his/ her own tax advisor with respect to specific tax consequences of his/ her participation in the IPO.

The above Statement of Special Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

## SECTION V: ABOUT THE COMPANY

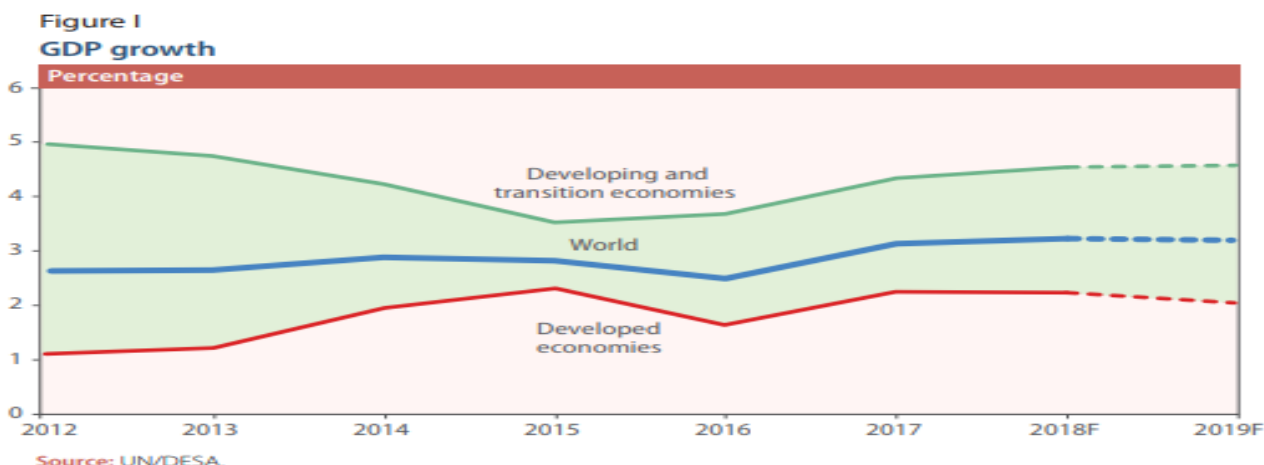
### INDUSTRY OVERVIEW

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

The World Economic Situation and Prospects (WESP) 2018 noted that the world economy had strengthened. Over the last several months, short-term prospects for the world economy have continued to improve. World gross product is expected to expand by 3.2 per cent in both 2018 and 2019 (table I and figure I), marking an upward revision from forecasts released in December 2017. The recent improvement reflects a further uptick in the growth outlook for developed economies in 2018, on the strength of accelerating wage growth, broadly favorable investment conditions, and the short-term impact of a fiscal stimulus package in the United States of America. World trade growth has accelerated, reflecting a widespread revival of demand. Many commodity-exporting countries will also benefit from the higher level of energy and metal prices. While the modest rise in global commodity prices will exert some upward pressure on inflation in many countries, inflationary pressures remain contained across most developed and developing regions.

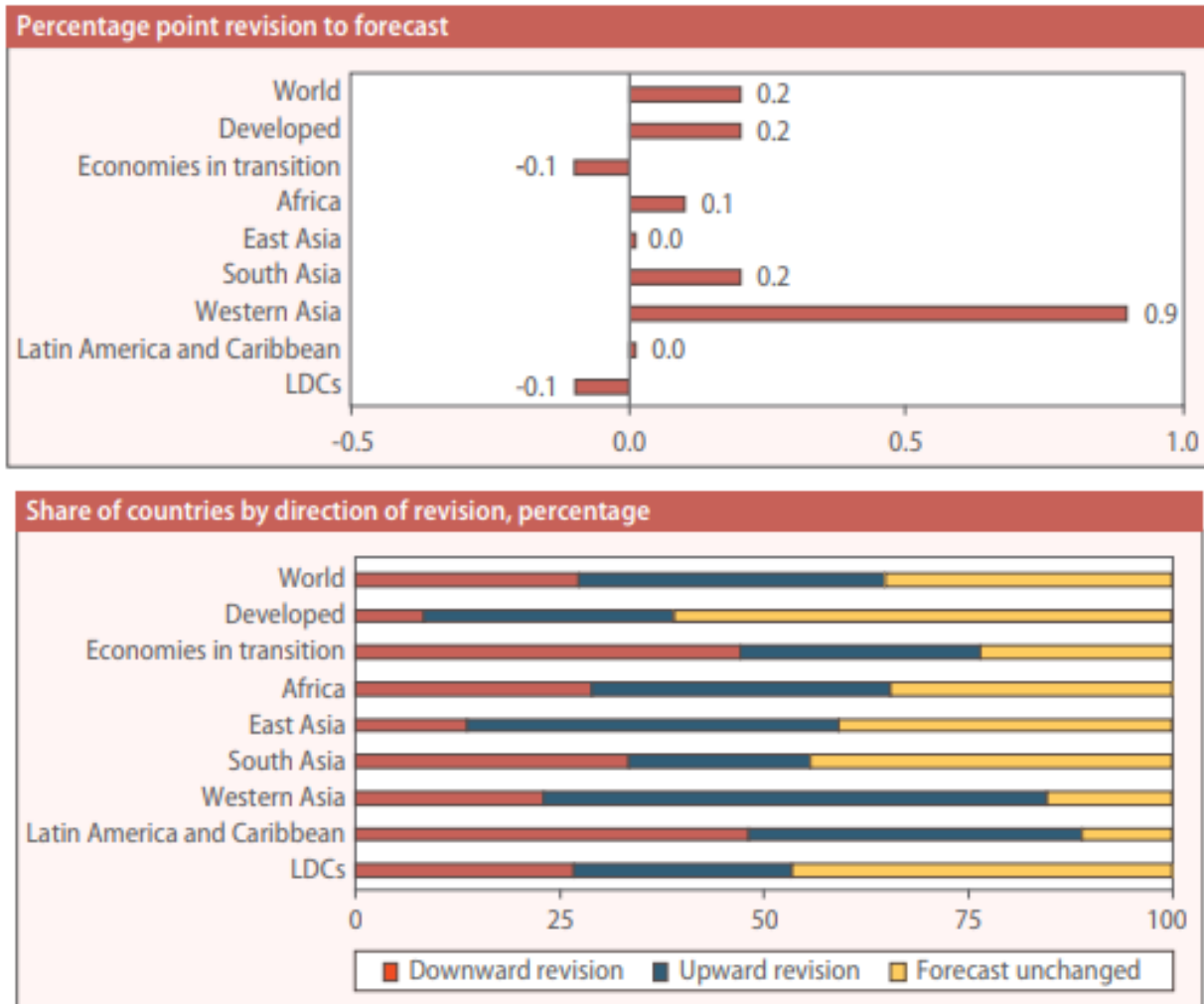
However, in parallel with the improvement in economic growth we have seen a rise in risks to the economic outlook, including a rise in the probability of trade conflicts between major economies; increased uncertainty regarding the pace of monetary policy adjustment in the United States; high and increasing levels of debt; elevated asset valuations, which may in some cases indicate underpriced risk; and an undercurrent of geopolitical tensions, including in the Korean Peninsula, Middle East, the South-China Sea and in Ukraine.



Forecasts for GDP growth in 2018 have been revised upward in nearly 40 per cent of countries since December (figure II). This compares to downward revisions in about 25 per cent of countries. Some countries and regions are not sharing in the global cyclical upturn, in many cases reflecting structural impediments to development. In per capita terms, output is expected to decline in Central and in Southern Africa this year. Forecasts for the economies in transition and for the least developed countries (LDCs) have been revised marginally downward for 2018. For the economies in transition, the downward revision predominantly reflects rising geopolitical tensions between the Russian Federation and several countries. In the case of the LDCs, weaker growth prospects are largely driven by a deteriorating situation in Yemen. GDP growth in the LDCs is estimated to reach 5.2 per cent in 2018 and 5.5 per cent in 2019, continuing a steady acceleration in growth since 2015. While some large LDCs are growing at an average annual rate of 7 per cent, including Bangladesh, Cambodia, Ethiopia, Myanmar and the United Republic of Tanzania, many small island developing States (SIDS) and conflict-affected countries remain well below this Sustainable Development Goal (SDG) target. Per capita economic growth in LDCs is

steadily rising, although at levels insufficient to eradicate extreme poverty: longer-term growth projections point to 35 per cent of the population in LDCs remaining in extreme poverty by 2030.1 changing this outcome would require both faster GDP growth and a significant reduction in income inequality.

**Figure II**  
**Forecast revisions for GDP growth in 2018**



Source: Current UN/DESA forecasts compared to forecasts reported in WESP 2018.

[Source :[https://www.un.org/development/desa/dpad/wp-content/uploads/sites/45/WESP\\_2018\\_Mid-year\\_Update.pdf](https://www.un.org/development/desa/dpad/wp-content/uploads/sites/45/WESP_2018_Mid-year_Update.pdf)]

**Global Growth Prospectus**

Global growth is expected to slow to 2.9 percent in 2019. International trade and investment are moderating, trade tensions remain elevated, and financing conditions are tightening. Amid recent episodes of financial stress, growth in emerging market and developing economies has lost momentum and is projected to stall at 4.2 percent this year, with a weaker-than-expected rebound in commodity exporters accompanied by deceleration in commodity importers. Downside risks have become more acute. Financial market pressures and trade tensions could escalate, denting global activity.

The global expansion has weakened. Global growth for 2018 is estimated at 3.7 percent, as in the October 2018 World Economic Outlook (WEO) forecast, despite weaker performance in some economies, notably Europe and Asia. The global

economy is projected to grow at 3.5 percent in 2019 and 3.6 percent in 2020, 0.2 and 0.1 percentage point below last October's projections.

The global growth forecast for 2019 and 2020 had already been revised downward in the last WEO, partly because of the negative effects of tariff increases enacted in the United States and China earlier that year. The further downward revision since October in part reflects carry over from softer momentum in the second half of 2018—including in Germany following the introduction of new automobile fuel emission standards and in Italy where concerns about sovereign and financial risks have weighed on domestic demand—but also weakening financial market sentiment as well as a contraction in Turkey now projected to be deeper than anticipated.

Risks to global growth tilt to the downside. An escalation of trade tensions beyond those already incorporated in the forecast remains a key source of risk to the outlook. Financial conditions have already tightened since the fall. A range of triggers beyond escalating trade tensions could spark a further deterioration in risk sentiment with adverse growth implications, especially given the high levels of public and private debt. These potential triggers include a “no-deal” withdrawal of the United Kingdom from the European Union and a greater-than-envisaged slowdown in China.

The main shared policy priority is for countries to resolve cooperatively and quickly their trade disagreements and the resulting policy uncertainty, rather than raising harmful barriers further and destabilizing an already slowing global economy. Across all economies, measures to boost potential output growth, enhance inclusiveness, and strengthen fiscal and financial buffers in an environment of high debt burdens and tighter financial conditions are imperatives.

[Source:<http://www.worldbank.org/en/publication/global-economic-prospects>]

### **Indian Economy Overview**

India remains one of the fastest growing emerging market economies. Due to recent cash shortages, growth is projected to slow temporarily this fiscal year. Maintaining the reform momentum is key to stronger growth.

India's overall outlook remains positive, although growth will slow temporarily as a result of disruptions to consumption and business activity from the recent withdrawal of high-denomination banknotes from circulation.

But the nation's expansion will pick up again as economic reforms kick in, said the IMF in its latest assessment. Growth is expected at 6.6 percent in this fiscal year and at 7.2 percent in the following year.

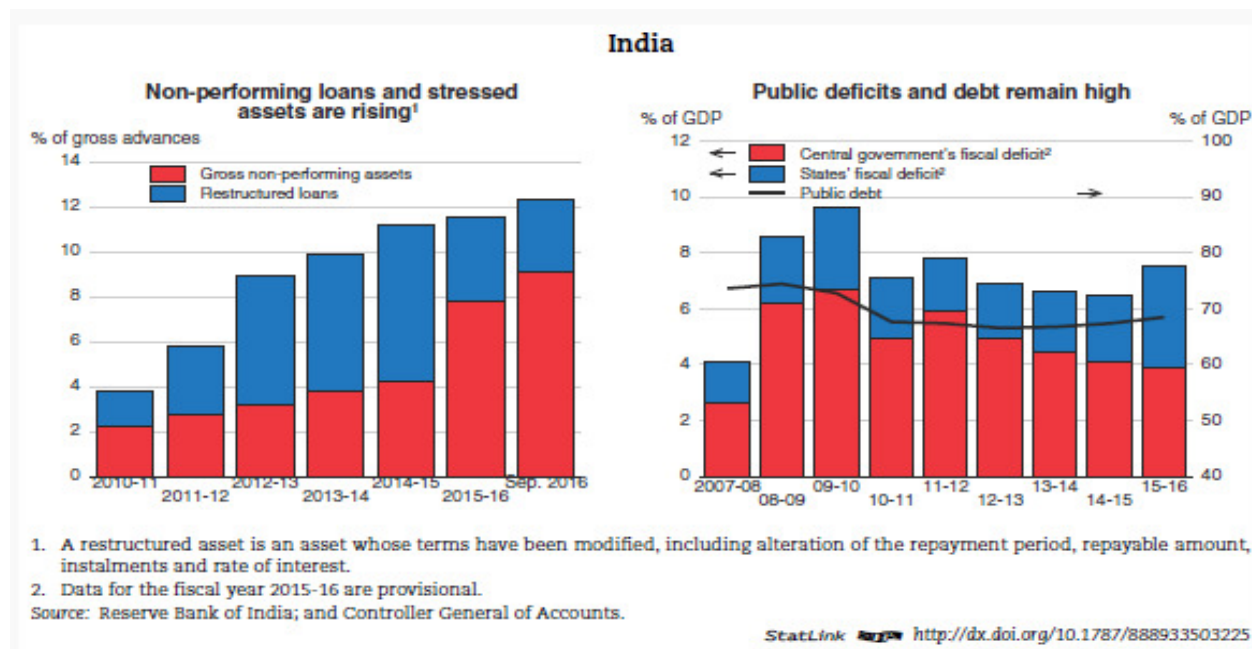
The Indian economy is growing strongly and remains a bright spot in the global landscape. The halving of global oil prices that began in late 2014 boosted economic activity in India, further improved the external current account and fiscal positions, and helped lower inflation. In addition, continued fiscal consolidation, by reducing government deficits and debt accumulation, and an anti-inflationary monetary policy stance have helped cement macroeconomic stability.

The government has made significant progress on important economic reforms, which will support strong and sustainable growth going forward. In particular, the upcoming implementation of the goods and services tax, which has been in the making for over a decade, will help raise India's medium-term growth to above 8 percent, as it will enhance the efficiency of production and movement of goods and services across Indian states.

Challenges remain, however, and there is little scope for complacency. A key concern is the health of the banking system, which is still dealing with a large amount of bad loans, and also heightened corporate vulnerabilities in several key sectors of the economy.

And, over the past few months, the economy has been hit by cash shortages, and accordingly the growth forecasts reduced to 6.6 percent for fiscal year 2016/17 and to 7.2 percent in 2017/18.

[Source:<http://www.imf.org/en/News/Articles/2017/02/21/NA022217-For-India-strong-growth-persists-despite-new-challenges>]



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

### Indian Pharma and Health Sector Industry

Health care is one of the significant indicators of any country's overall development and status of health care indicates the nature of development of a country. Pharmaceutical companies are working consistently towards improvement of health care among people. Pharmaceutical products or drugs are one of the important components of health care management and its expenses. The increase in the income of individuals and change in lifestyle are contributing to increase in the expenses of health care management of an individual. The global pharmaceutical market size is estimated to reach USD 1.4 trillion and the Indian pharmaceutical market size is estimated as USD 55 billion by the year 2020. The Indian pharmaceutical sector is expected to grow with faster compound annual growth rate (CAGR) compared to global growth rate during the period 2015-2020.

The Pharma Industry has contributed significantly in creating a rich talent pool of researchers, scientists, doctors and project managers, the experts said at the meet, organized by the Organization of Pharmaceutical Producers of India (OPPI). The pharmaceutical segment is seen as an integral part of the Indian healthcare market, which is estimated to be worth Rs. 10,000 crores and growing at a CAGR of 22.9 per cent. Globally, the Indian pharma market is the third largest in terms of volume and 13th in terms of value. By 2020 generics medicines will occupy 70 per cent market share followed by over-the-counter 21 per cent and patented drugs capturing 9 per cent market share.

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

The Union Cabinet has given its nod for the amendment of the existing Foreign Direct Investment (FDI) policy in the pharmaceutical sector in order to allow FDI up to 100 per cent under the automatic route for manufacturing of medical devices subject to certain conditions. The drugs and pharmaceuticals sector attracted cumulative FDI inflows worth US\$ 15.59 billion between April 2000 and December 2017, according to data released by the Department of Industrial Policy and Promotion (DIPP).

In March 2018, the Drug Controller General of India (DCGI) announced its plans to start a single-window facility to provide consents, approvals and other information. The move is aimed at giving a push to the Make in India initiative.

The launch of the flagship national insurance scheme for 100 million families and upto 500 million beneficiaries up to Rs 5 lakh a year to create the world's largest public health insurance scheme augers well for secondary and tertiary care in India.

Government of India launched new National Health Policy (NHP) after 15 years the last health policy was approved. The plan aims to strengthen India's healthcare system. The policy proposes to increase the public health expenditure by 2.5 percent of the GDP from the current 2 percent GDP spending on healthcare. The policy aims to reduce the maternal mortality rate, infant and child death rate due to many non-communicable and infectious diseases. Elimination of leprosy by 2018, kala-azar and lymphatic filariasis by 2017 is targeted in the policy. The policy aims to achieve the global target for HIV/AIDS by 2020 the goals include 90% of all people living with HIV know their status, 90% of all people living with HIV received sustained antiretroviral therapy, and the viral in 90% of those receiving antiretroviral therapy is suppressed.

Healthcare services like e-Pharmacy, e-Diagnostics launched by Government can remove many malpractices of the healthcare industry and make it accessible to even those in remote areas having little access to healthcare. The introduction of electronic health record (EHR), national knowledge network for tele-education, teleconsultations and digital library are some vital digital intervention for nation's health. Connecting digitally to specialized doctors from anywhere increases the reach of the professionals to the patients.

Door-to-Door Screening for Chronic Diseases is a massive free door-to-door screening for the early detection and treatment of cancer, heart disorders, and diabetes. This programme targets the critical age group of 30 to 69-year-old people. The health of working age population is critically important for a developing country like India. The improvement in their health, the chance of survival and productivity is essential to eliminate poverty and growth and development of the country.

[Source: <http://employmentnews.gov.in/newemp/MoreContentNew.aspx?n=InDepthJobs&k=156>]

#### **NATIONAL HEALTH MISSION: FREE DIAGNOSTICS SERVICE INITIATIVE**

The National Free Diagnostic Service Initiative has been rolled out as part of National Health Mission. This was important to provide comprehensive and quality healthcare free of cost under one roof. Free consultation and free drugs are other important component of comprehensive free care. It is well-known that provisioning of quality diagnostic services (laboratory and radiological services) in public health facilities is critical for ensuring evidence based care and reducing out of pocket expenditure. Needless to say that, dividends of this intervention would be significant including making services at public health facilities more comprehensive, making services accessible not only to poor but to a significant number of middle class population. Bringing down both out of pocket expenses on belated/irrational treatment of diseases / disabilities (many of which become highly debilitating and incurable) and avoidable pressure on health system on account of their management are other obvious benefits.

Substantial investments in the National Health Mission (NHM) have resulted in improvement of access and coverage in public health facilities, thereby mitigating the burden of disease. Expenditure on health however continues to be an area of concern. Several studies have shown that a significant proportion of out-of-pocket expenditure is on account of diagnostics.

Diagnostics are an integral part of the health care system and provide information needed by service providers to make informed decisions about care provision related to prevention, screening, detection, treatment and management. Limited availability and access to quality laboratory and radiology services are among the major challenges contributing to delayed or inappropriate responses to disease control and patient management. This also results in continued reliance on empirical patient care or irrational diagnostic prescription, practices that waste scarce resources.

Out of pocket expenditures on diagnostic tests are high and rising, sometimes even overtaking the costs of medicines. The poor who access public health care facilities have access to limited set of diagnostic services. Other challenges in provision of a set of diagnostics at each facility level include availability of skilled personnel, reagents, consumables and kits.

The ready availability of affordable diagnostic tools enables accurate detection of health risks and disease at an early stage, thereby improving disease management, and also diminishing subsequent health problems and associated costs. Diagnostics therefore play a useful role in influencing the quality of patient care, and health outcomes. Good quality diagnostic tests that are fit for purpose and provide accurate results are therefore of paramount importance in reducing the burden of disease.

A package of essential diagnostics, if available free of cost in public health facilities would not only reduce the burden on the poor and the vulnerable but would also be accessible to sections of the middle class sections that face financial stress on account of expensive health care diagnostics. This would also make the health care in public health facilities comprehensive and thereby attractive to larger segments of population.

Several states have attempted to ensure the availability of diagnostics in the public health facilities. These range from improving access to diagnostics within public health facilities through hiring laboratory technicians and procuring equipment kits, reagents as part of regular supplies, or by outsourcing the function of diagnostics, or by establishing linkages with laboratories in the private sector for providing selected diagnostics, such as radiology. Over the past few years, such efforts have been supported under the National Rural Health Mission (NRHM) and now the National Health Mission (NHM). These operational guidelines lay out the key features of the Initiative suggesting a minimal set of essential diagnostics to be available at different levels of public facilities across the states to reduce variability in coverage and unequal access. The guidelines Free Diagnostics Service Initiative 2 National Health Mission: Free Diagnostics Service Initiative also provide broad guidance on features of alternative delivery models through which diagnostics can be made available including financing modalities and monitoring mechanisms. The guidelines also provide a flexible framework, for states to adapt to their context, based on the availability of appropriate skilled staff and epidemiological and disease profile. The guidelines are expected to assist states to roll-out/scale up the initiative to ensure that access to free diagnostics is met in full measure.

**Objectives of the Free Diagnostics Service Initiative are:**

- Ensure the availability of a minimum set of diagnostics appropriate to the level of care
- Reduce high out of pocket expenditure incurred by patients for diagnostics
- Enable initiation and continuation of appropriate treatment based on accurate diagnosis.
- Use of appropriate diagnostics to screen patients for a set of chronic conditions so as to enable secondary prevention measures.
- Improve overall quality of healthcare and patients experience as a result of availability of comprehensive healthcare in public health facilities

[Source: [http://nhsrcindia.org/sites/default/files/practice\\_file/Free%20Diagnostics%20Service%20Initiative.pdf](http://nhsrcindia.org/sites/default/files/practice_file/Free%20Diagnostics%20Service%20Initiative.pdf)]

## 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 this Draft Prospectus, including the information contained in “Risk Factors”, “Management’s Discussion & Analysis of Financial Condition and Results of Operations” and “Financial Information of the Company” beginning on page 21, 138 and 113 respectively of this Draft Prospectus. The financial figures used in this section, unless otherwise stated, have been derived from our Company’s restated financial statements. Further, all references to “Gian Life”, “Gian Life Care Limited”, “the Company”, “our Company” and the terms ‘we’, ‘us’ and ‘our’, are to “Gian Life Care Limited”.

### Overview

Our Company was incorporated on November 06, 2018, under the provisions of the Companies Act, 2013 by Registrar of Companies, Kanpur. On March 01, 2019 the company took over the entire running business of M/s Gian Pathology and X-Rays, a proprietorship concern of our promoter Mr. Arun Kumar Gupta with a view to provide diagnostic and related healthcare tests and services. We are primarily engaged in the business of providing diagnostic and related healthcare tests and services in Kanpur and nearby areas. We provide a broad range of diagnostic and related healthcare tests and services such as, patient diagnosis services and prevention and wellness diagnosis services to our patients and healthcare providers. Our customers include individual patients, hospitals, other healthcare providers and corporate customers.

The diagnostic center under the name of “M/s. Gian Pathology and X-Rays” was first established in Kanpur in the year 1995 by Mr. Arun Kumar Gupta (MD Pathology) which has been taken-over by our Company. Mr. Arun Kumar Gupta completed his degree in Pathology from G.S.V.M. Medical College in Kanpur. Under his guidance and efforts the laboratory has taken the shape of a big diagnostic center that has its 2 branches across Kanpur and collection center in its adjoining districts. His knowledge and understanding has helped us foster a reputation among medical practitioners, patients and other healthcare providers as a timely, accurate, convenient and cost effective laboratory testing services.

We believe that we have the latest upgraded technology and machines which are an integral part of our laboratory that ensures quick and reliable test results. We have in the past taken all the possible steps and upgraded our laboratory with the latest developments in laboratory medicine and techniques in a rapidly changing diagnostic scenario. The department of radio-diagnosis & imaging offers multi discipline imaging with an emphasis on detailed and accurate diagnostic reports for better health management.

We offer a broad range of approximately 1,344 tests as of March 31, 2019, it includes various tests ranging from biochemistry, clinical pathology, coagulation, cytogenetics, cytology, hematology, histopathology, immunoassay, microbiology, molecular biology and radiology services. We have also designed certain test which includes a variety of test combinations which are specific to some disease or disorder or wellness that are used for health and fitness screening. We classify our tests into (i) ‘routine’ tests such as blood chemistry analyses, blood cell counts and urine examination; (ii) ‘semi-specialized’ tests such as thyroid function tests, viral and bacterial cultures, histology, cytology and infectious disease tests; and (iii) ‘specialized’ tests such as tests for coagulation studies, autoimmunity tests, cytogenetics and molecular diagnostics.

Our main aim is on providing reliable test results to the patients and our customers at the best possible cost as well as value-added services such as home collection of specimens and online access to test reports. We believe in a patient centric approach which has helped us gain advantage over the other service providers in the area and results in several individual patients and healthcare providers choosing us as their diagnostic healthcare service provider.

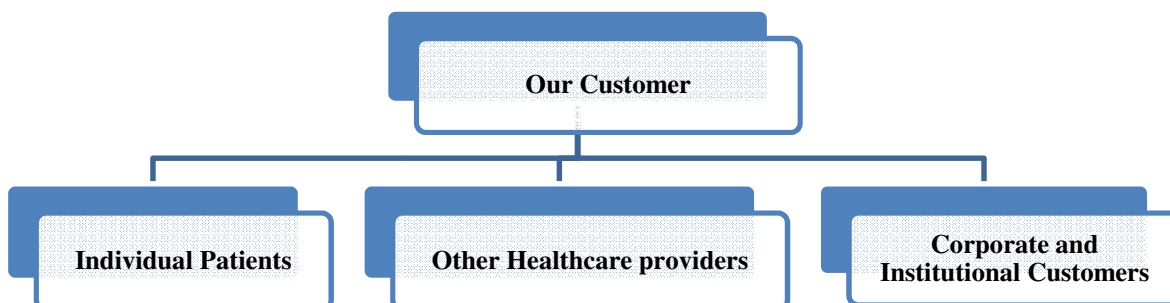
As per restated financial statements for the period ended April 30, 2019 and the period ended on March 31, 2019, the total revenue of our Company stood at Rs.55.32 lakhs and Rs. 55.83 lakh, respectively. Further, our Profit after tax for the period ended April 30, 2019 and the period ended on March 31, 2019 stood at Rs. 10.04 lakh and Rs. 9.08 lakhs respectively.

Past performance and track record of the proprietorship concern taken over by our Company for the F.Y. 2016-17 and 2017-18 were as below:-

(Amt in Rs. Lakhs)

Particular	2016-17	2017-18
Revenue from operation	853.43	814.92
Profit before tax	52.65	112.23





Our service network caters to individual patients as well as other healthcare providers.

### Individual Patients

Individual patients collectively forms the major part of our customer group, and we bill them on per test basis and in accordance with our laboratories' customer fee schedule. We service individual patients through our collection centre and laboratory. We collect the specimens from individual patients and the specimens are sent to the laboratory for testing depending on the nature of the test sought. Generally, individuals come to us either on their own or with a prescribed test request from a physician, other qualified healthcare professional, hospital, clinic or nursing home.

For convenience of our patients, we also providing home collection service to our patients. Whereby specimens are collected from patients' locations, such as their homes or offices, by our phlebotomists. The collected specimens are then transported in a specially designed transportation box to the laboratory for testing, depending on the nature and complexity of the tests required.

### Other Healthcare Provider

Other healthcare providers include the several practising physicians, independent private healthcare set ups including large and small-scale hospitals, nursing homes, private laboratories, radiology centers, diagnostic centers, IVF centers and other healthcare service providers. We provide our laboratory services to their patients, whereby specimens are collected at the physician's clinic by their phlebotomists, in accordance with our specifications and standards. The collected specimens are then transported, from their clinic, on a periodic basis, depending on the nature and complexity of the tests required. The tests are conducted at our laboratory and the report prepared are shared with the clinics or the hospitals.

### Corporates and Institutional customers

We serve other institutions, including corporate employers, insurance companies and government agencies. Corporate customers and other institutions typically pay on a negotiated fee-for-service basis. Our institutional contracts allow the employees of our corporate customers to access our diagnostic and preventive healthcare services as part of their compensation packages.

### Quality and Assurance

Our laboratory is NABL accredited which is one of the highest quality certification in India for testing and calibrating Laboratories. Apart from NABL accredited our laboratory is also ISO 9001:2015 certified.

We take the below steps to maintain quality and reduce error in our work:-

- Bar Coded samples to reduce manual errors.
- Perform periodic checks on all machines.
- Proper documentations of past records
- Quality Control
- Complaints and feedback records
- Communication of critical value instances to patient.

## **Our Competitive Strengths**

We believe that the following are our primary competitive strengths:

### ***1. Wide range of specialized tests with an emphasis on wellness and preventive healthcare.***

Our Company offers a wide range of test and diagnostic services with more emphasis on preventive healthcare and wellness related tests, which allows us to cater to the differing needs of our patients. We believe our tests are relevant to various age groups, segments of customers and customer preferences, as our portfolio of tests includes those for diseases screening, hormonal imbalances, nutritional deficiencies and tracking lifestyle disorders. Moreover, our current portfolio of tests has evolved based on the past experience, need of the patients and with the advancement in the medical and healthcare industry. The evolution of our test offerings is demonstrative of our ability to successfully develop and grow our product offering to cope with the change in the medical and healthcare industry. We have designed our tests to a broad base of customers' needs keeping in mind providing the best possible test combination at the most affordable pricing. We have engineered our offerings in such a way to cater to the maximum number of tests per sample and therefore increase our average revenue per sample with the most affordable cost to the customers.

### ***2. Location of our Main Laboratory***

Our main laboratory at Swaroop Nagar is strategically located in Kanpur, Uttar Pradesh. Our laboratory is located in close proximity of some major hospitals and health care service providers which provide us an added advantage of the customer approaching us for medical tests and other diagnostic services. Due to our location advantage we have been able to gain a major customer base of the individual patients arriving for the Tests. Also, over the years we have created a reputation among medical practitioners, patients and other healthcare providers by providing timely, accurate, convenient and cost effective laboratory testing services.

### ***3. Experienced leadership team with strong industry expertise and successful track record.***

We have a strong and dedicated team with the required skill sets which we believe are required for the fast growth of our business. The members of our management team have experience in the healthcare industry, and, under their leadership, we have grown rapidly and increased both the productivity and efficiency of our services. Under the leadership and guidance of our Promoter and efficient team we have been able to cope with the advancement in the medical and healthcare industry and create a name among the patients and the medical practitioners' in the area.

### ***4. Customer centric approach and focus on customer satisfaction***

Good quality test at affordable pricing and reliability of the report is very important in the diagnostic and health check industry. The main focus of our company is on providing the best quality healthcare test services to the patients at affordable costs with the most accurate test results. By providing quality services at affordable cost we can attain highest level of customer satisfaction and reliability. Apart from this, we have also designed certain group of tests and schemes in such a way that can be used to provide testing and diagnostic services with single sample (by making best use of samples) and at most affordable pricing.

Apart from the affordability and reliability of the testing services, we also offer doorstep delivery of services to the clients with regards to the collection of the sample and delivery of the reports to the customer such service has helped the patient saving time as well as issues with regards to commuting from their home to the labs.

### ***5. Quality Compliance***

We adopt a code of conduct for our laboratory to ensure better quality compliance which includes bar coding of samples to reduce manual errors, perform periodic checks on all machines, proper documentations of past records, communication of critical value instances to patient. We endeavor to take all the possible steps to improve the processes for collection, handling and storage of patient specimens, as well as to assure accurate and timely test results and work environment of our employees in general. Our laboratory has achieved ISO certification for their quality systems. Our laboratory is also accredited to the administered quality surveillance programs of the National Accreditation Board for Testing and Calibration Laboratories

("NABL"). By providing quality & accurate test results and better handling of the specimen, we ensure that patients get the best quality service in timely and cost effective manner.

## **Our Business Strategies**

Our Business Strategies are as follows:

### ***1. Grow our wellness and preventive check offerings and expand our test range.***

We shall continue to focus on growth of our wellness and preventive check offerings and expansion of our test offering. With the increase in focus on the health and wellness among people, the need for wellness and preventive actions to identify pre-existing diseases has increased. Due to such increase we expect to see growth in the number of people opting for our wellness and preventive test for early detection of any disease. As we've recognized the growth opportunity in this segment, therefore we are focusing our marketing efforts on preventive diagnostic and wellness offerings.

We endeavor to expand our current range of diagnostic test offerings through the acquisition and advancement of new technologies, including both instruments and processes. We are also currently focusing our efforts on creating a boutique of test which suites to the needs of the patients looking at the current advancements in the medical and healthcare industry, best use of sample, cost effectiveness and quality reports.

### ***2. Continue to focus on providing quality diagnostic and related healthcare tests and services.***

The reliability of our diagnostic and related healthcare tests and services are essential to our success and growth of the organization in the healthcare industry, as we believe these are primary concerns to patients, hospitals and other healthcare providers and corporate customers. Accordingly, we are committed to provide quality test and reliability of our diagnostic healthcare services and test reports to maintain and enhance our corporate brand image. We will continue to respond to the needs of individual customers and the healthcare industry by maintaining the quality of our diagnostic healthcare services. In addition, we will continue to upgrade our diagnostic equipment and technology in order to increase the efficiency of our processing capacity, and we also will continue to increase the geographic reach of our services. We believe we gain access from our suppliers to advanced diagnostic technologies and equipment, which further enhance the quality and reliability of our diagnostic healthcare services. We will also continue to enhance the customer experience by further developing our online initiatives and leveraging our potential data analytics capabilities.

### ***3. Attract and retain talented employee***

Employees are essential for the success of every organization. We constantly intend to continue our focus on improving and providing a healthy and safe environment for our employees, who continuously work for the well-being of the patients and provide various programs and benefits for the personal well-being and career development of our employees. We intend to strive to further reduce the employee attrition rate and retain more of our skilled employees for our future expansion by providing them with better, safer and healthier working environment. Over the period of time we have also developed a team of doctors who check and authorize the report.

### ***4. Enhancing Operating Effectiveness and Efficiency***

Our Company aims to continue to improve our operational effectiveness and efficiencies to achieve cost reductions including overheads. We believe that this can be done through continuous process review and timely corrective measures in case of diversion and taking steps for technology upgradation whenever required. We are also currently focusing our efforts on creating a boutique of test and also provide different schemes to the patients and customers which suites to the needs of the patients looking at the current advancements in the medical and healthcare industry and providing the test at the most affordable cost through achieving operating effectiveness and efficiency.

## **List of Machines**

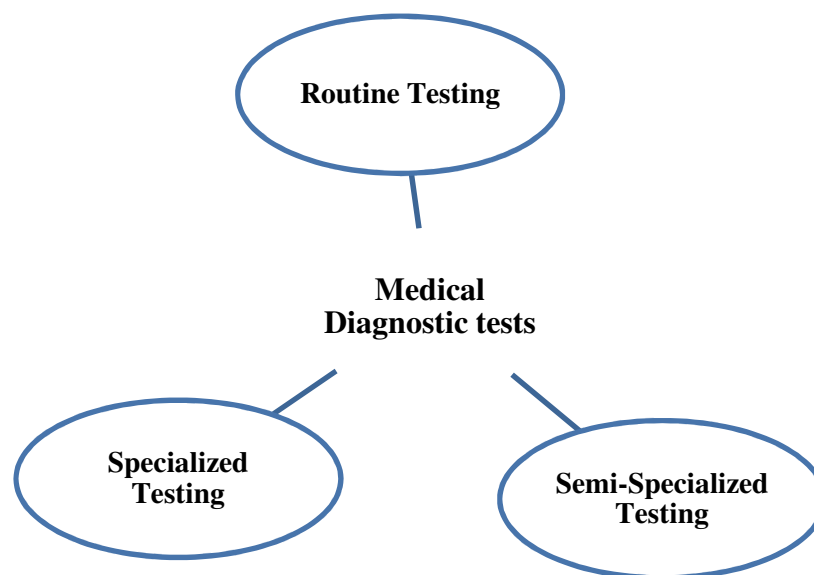
Below is the list of some of the major equipment used for testing and diagnosis: -

- Microbial Identification System - Bact/Alert 36/60 – Biomeriux make

- Hematology Analyzers - ABX PENTRA ES60 (Horiba)
- GENPROBE
- OPG Machine – Carestream Health India make
- Ultrasound machine (Color Doppler) Wipro make
- Immunoassay System - IMMULITE 2000 Siemens make
- DIMENSION ( Rxi Max) (Code - CAIRXL) Siemens make
- The GeneXpert System
- Dry Chemistry Analyzer - Dri Chem NX 500 I Fujifilm (Biochemistry)
- Immunoassay System - Centaur XP Siemens make
- FILMARRY 2.0
- Multi-parametric analyzer for infectious disease - Chorus Trio
- Microbial Identification System - Vitek 2 compact 30
- Hematology Analyzer (6 Part) Transasia make

### Our Business Operations

We conduct an array of medical diagnostic tests that are focused on early detection and management of various disorders and diseases.



### Routine Testing

Routine tests generally includes tests/procedures ordered by a physician and medical practitioners needed to help diagnose or monitor the health conditions or disease of patients. Diagnostic tools used in routine testing include radiology, ultrasound, laboratory, pathology services, and other tests such as CBC, Kidney Function Test, Liver Function Test, Thyroid Function Test, Lipid Profile, Sputum, Urine, microbiology test etc. Other tests include the radiology services which include BMD, ECO, ECG, TMT, TFT, BMD DEXA, ultrasounds, Digital X-Ray, OPG and Cifelogram.

### Semi - Specialized Testing

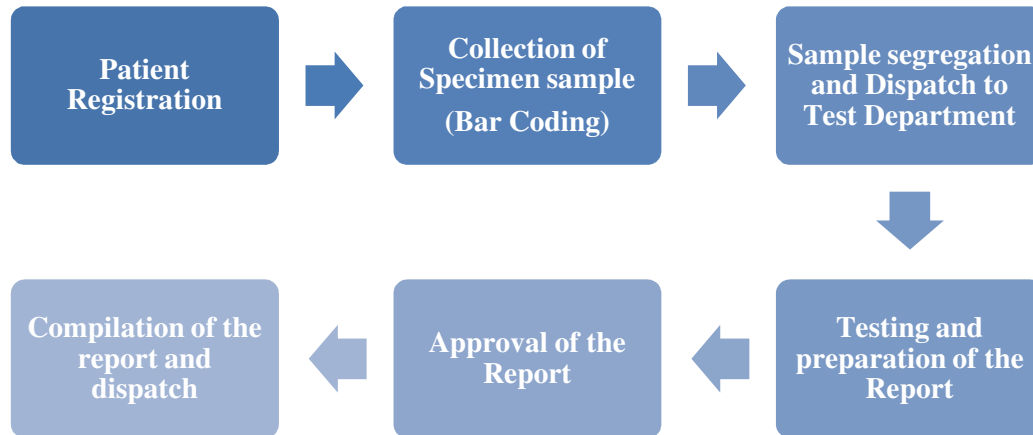
Semi specialized test conducted at our laboratory includes tests such as hormones test, cancer markers and cardiac markers tests. Hormone tests are conducted to identify any hormonal imbalance in the human body. Cancer marker test are used to identify the presence of cancer markers in the human body, these are substances that are made by cancer cells or by normal cells in response to cancer. Cardiac markers tests are used in the diagnosis and risk stratification of patients with chest pain and suspected acute coronary syndrome.

## Specialized Testing

Specialized test conducted at our laboratory includes tests such as allergy tests, PCR, AFB Culture, multiplex PCR, Cytology and Histopathology Tests. Allergy testing are conducted on skin or blood for determining substances to which a person is allergic, Cytology test is the examination of cells from the body under a microscope and Histopathology (or histology) involves the examination of sampled whole tissues under the microscope.

## Business Process

The business process includes the below mentioned steps:



Brief description of the above business process is as below:-

### 1. Patient Registration

The first step in our business process is patient registration. The patients request form is filled at the point when the patients approach the testing center. The patient details such as the name, age, test required to be conducted and the necessary demographic, medical and billing information are filled by our team which is used to generate the unique patient registration number. The registration number is used to trace the specimen sample and the test reports.

### 2. Collection of Specimen sample (Bar coding)

After the registration of the patient, the next step is the collection of the specimen, the specimen are collected based on the test recommended and the sample collected which are then placed in the specified containers/boxes. Each specimen is required to be accompanied by a test request form, which includes information such as test to be performed and the necessary demographic, medical and billing information. Each specimen and its test request form is rechecked for completeness and is then registered, bar coded and labeled to segregate the same and avoid the samples being mixed with another person. The bar codes helps in controlling and managing the entire process from specimen collection until the release of the test report. The barcode generated is pasted on to the appropriate patient tube and the test requisition form. In case of X rays and Ultrasound the images are captured and send for preparation of the reports.

### 3. Sample segregation and dispatch to Test Department

Once the samples are collected and labeled the samples are separated based on the department where the required tests are needed to be conducted. This step also follows specimen acceptance and rejection criteria laid down by our quality team, to ensure that poor quality or insufficient specimens are not processed as they will not provide accurate results. If the specimens are found to be in order, they are distributed to the relevant department, where the sample will be tested.

### 4. Testing and preparation of the Report

On receipt of the specimen and the details of test to be conducted on the specimen, the laboratory conducts the specified test and records the finding of the test conducted on the sample. Most of our tests are conducted through fully automated systems. The tests are conducted under the supervision of the staff members. Supervisor of the department closely monitors the results and, wherever needed, orders re-check. Validated results, if relevant, are then transferred for a medical review by doctors. The doctors including pathologists, microbiologists, biochemists, geneticists or surgical pathologists who review the results against the patient's history and demographics before authorizing the results.

## 5. Approval of the Report

The report is verified based on the test data to reduce the chances of any error. If the results in the report are within the normal reference ranges, the report is authorized and is referred to the patients. Reports containing results outside reference ranges are reviewed by the respective doctors prior to being authorized. As part of our standard operating procedure, we select certain test results for re-testing with no additional cost to patients. To facilitate additional tests and re-checks, we store specimen for a specified length of time in accordance with our internal policy.

## 6. Compilation of the report and dispatch

The results from different departments are combined in our system into one test report, which covers result trend analysis and patient specific interpretations and comments by our doctors in some cases. We prepare detailed reports for ease of interpretation by doctors and patients. Once the results are uploaded on our website, the patient or the institutional or the clinical laboratory that collected the specific specimen, also have access to the report. The report may also be dispatched to the patients who have opted for the delivery of the report.

### Wellness and related healthcare services

Our experience in diagnostic and related healthcare testing and services has allowed us to selectively combine diagnostic tests into diverse profiles to assist patients seeking to monitor their health and to prevent or treat diseases and other health conditions. These packages are a combination of a variety of early detection and diagnostic tests to screen selected diseases and disorders with primary focus on life style diseases. Based on age, sex, clinical history, parental history and affordability, there are options of several packages. Besides pathology tests, the packages also include non-pathology tests such as ECG, X-ray, ultra-sound and stress test. The reports issued by us include basic medical advice and are presented in a reader-friendly format.

### Utilities & Infrastructure Facilities

**Power** - The power requirements of the Company for running the office, systems and laboratory is procured from the State Electricity Boards. Apart from this, we have also installed a 62 KVA Genset to meet the power failure and to have an uninterrupted power supply to the laboratory.

**Water** - Water is required for human consumption and adequate water sources are available. The requirements are fully met at the existing premises through local supplies.

**Utilities** - Our registered office and laboratory has facilities of water and electricity provided by respective authorities. Our Offices are well equipped with computer systems, internet, connectivity, other communication equipment, security and other facilities, which are required for smooth functioning of our business activity.

**Manpower** - We believe that our ability to maintain growth depends to a large extent on our strength in attracting, training, motivating and retaining employees. As on April 30, 2019, we have 59 full time employees.

**Raw Materials and Suppliers** - The major material and equipment required at our laboratory are the testing apparatus, reagents & chemicals, X ray films, printing material and consumables such as the sample collection and sample handling equipment's. Most of the materials and the equipment's used in the testing purpose are derived from domestic sources. The suppliers are generally selected based on the quality, availability and price of material.

Also, we have nominated certain third party laboratories based on the periodic reviews, assessments and their ability to continue to meet their obligations to us. Under certain circumstances we outsource certain test to these third party

laboratories, where we believe that it is more cost-effective and feasible to outsource the performance of any tests to third-party laboratories than to perform such tests ourselves.

#### **Collaboration/Tie-Ups/Joint Ventures**

There are no collaborations, tie ups or joint ventures as on the date of this Draft Prospectus.

#### **Information Technology**

We use an information system to facilitate the flow of information among all our business functions, thereby ensuring quick decision making of key business processes and other routine functions. We aim to avoid duplication of efforts across different departments and thereby facilitating faster processing of work, payments and invoices. The IT system is used to store and manage all the clinical laboratory data, including all patient demographic and medical information and to track specimen collection, shipping and testing.

#### **Sales and Marketing**

We seek to utilize cost-efficient marketing to increase our patient base. Our marketing activities aims to increase our walk-in and home collection patients mainly through creating awareness of our health check-ups and wellness initiatives and the convenience of our home collection services. We also continue to target corporate and institutional customers and continue to develop our business through social media and our online initiative. We also provide various schemes, incentives and health checkup plans for the individual customers' in order to attract more walk-in customers and patients.

#### **Export and Export Obligations**

Our Company does not have any export obligation as on the date of this Draft Prospectus.

#### **Competition**

Our business is highly competitive and we face competition from organized as well as unorganized providers. We also compete with many regional reference laboratories and local private laboratories. We believe that our experience in this business and quality assurance will be the key to overcome competition posed by such players. Being a competitive market, there are number of competitors offering services similar to us. We believe that the principal factors affecting competition in our business include client relationships, reputation, service quality, reliability on the test reports, relative quality and price.

Our continued success depends on our ability to compete effectively against our existing and future competitors. We believe that the advances in technology and new product introductions may lead increase to in competition by entry of new competitors. With the entry of the new competitors, our ability to retain our existing clients and to attract new clients is critical to our continued success. As a result, there can be no assurance that we will not encounter increased competition in future.

#### **Intellectual Property**

The details of the Domain name in the name of our company:-

Sr No	Domain Name	Registry Domain ID:	Registrant IANA ID	Creation Date	Registration Expiry Date
1	Gianpathlabs.com	2307516517_DOMAIN_COM-VRSN	1660	September 08, 2018	September 08, 2019

#### **Our Employees**

As of April 30, 2019, we have 59 full-time employees. Our laboratory is managed by qualified scientific staff and supervised by a team of pathologists with specializations in relevant fields of laboratory medicine.

The following table sets forth the number of our employees as of April 30, 2019:

Particulars	Number of Employees
Doctors and Pathologists	05
SBU Heads	04
Phlebotomists	06
Sales and Marketing	03
Logistics staff	20
Support staff	20
<b>Total</b>	<b>59</b>

### Insurance

Our laboratory located at 7/216 Swaroop Nagar, Kanpur & Flat No. - G-3 on Ground floor at Plot No. 449, Block-W-1 Saket Nagar, Kanpur is insured against fire and special perils, including earthquake damage. The insurance policy covers loss caused to the equipment's, Machineries, furniture fitting and stock. Apart from this we also maintain certain other insurance policies covering professional indemnity insurance policy and car insurance policy.

### Properties

Details of our properties are as follows:

Sr. No.	Details of Property	Owned/ Leased/ License	Purpose	Description of Purchase or Rent
1	Part of premises No. 7/216 Swaroop Nagar, Kanpur admeasuring 208.47 sq. mtrs.	Rented	Registered office and laboratory	The same have been taken on rent by our Company from our Promoter Mr. Arun Kumar Gupta w.e.f. from March 01, 2019 vide a rent agreement dated February 27, 2019.
2	Flat No.- G-3 on Ground floor at Plot No. 449, Block-W-1 Saket Nagar, Kanpur admeasuring 422.24 sq. mtrs.	Owned by our Company	Laboratory and collection centre	The portion owned by our promoter Mr. Arun Kumar Gupta was transferred to our company vide business transfer agreement dated March 01, 2019 entered for transfer of the business of M/s Gian Pathology and X Rays.



## **KEY INDUSTRY REGULATIONS AND POLICIES**

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see the section titled “Government and other Approvals” on page 150 of this Draft Prospectus.

This chapter has been classified as under:

- A. Industrial Laws
- B. Corporate and Commercial laws
- C. Labour and employment Laws
- D. Environmental laws
- E. Tax Laws
- F. Foreign Regulations
- G. Intellectual Property Law

### **A. Industrial Laws**

#### **The Clinical Establishments (Registration and Regulation) Act, 2010 (“CERR Act”)**

The CERR Act provides for registration and regulation of clinical establishments and prescribes minimum standards for facilities and services provided by them.

The CERR Act defines a “clinical establishment” to include inter alia a place established in connection with the diagnosis or treatment of diseases where pathological, bacteriological, genetic, radiological, chemical, biological investigations or other diagnostic or investigative services with the aid of laboratory or other medical equipment, are usually carried.

The clinical establishments are required to apply for provisional registration under the CERR Act within six months of establishment, irrespective of prior registration under any other applicable laws, which would be valid for an initial period of 12 months. Permanent registration under CERR Act shall only be applied for and granted if the clinical establishment meets the prescribed minimum standards for registration under the CECG Rules as notified by The Ministry of Health and Family Welfare, Government of India by a notification dated May 18, 2018. After commencement of permanent registration, provisional registration will not be granted or renewed to the clinical establishments beyond period of two years from the date of notification of the standards, which came into existence after standards have been notified.

However, after the notification of minimum standards, the clinical establishments now may apply for direct permanent registration also.

Unless revoked on account of contravention of any provisions of the CERR Act or CECG Rules, permanent registration would be valid for a period of five years and may be renewed pursuant to an application made within six months before the expiry of the permanent registration.

Section 41 (1) of CERR Act provides that whoever carries on a clinical establishment without registration shall, on first contravention, be liable to a monetary penalty up to fifty thousand rupees, for second contravention with a monetary penalty which may extend to two lakh rupees and for any subsequent contravention with a monetary penalty which may extend to five lakh rupees.

#### **The Clinical Establishments (Central Government) Rules 2012 (“CECG Rules”)**

The CECG Rules inter alia, provide conditions for registration and continuation of clinical establishments. In terms of CECG Rules, clinical establishments are required to display the rates for each type of services in vernacular and English language,

the rates to be charged are ought to be within the range as determined by the Central Government, the clinical establishments are required to ensure compliance with standard treatment guidelines as determined and issued by the Central Government or the State Governments as the case may be, clinical establishments are required to maintain electronic records of every patient. Additionally, clinical establishments are also required to maintain information and statistics in accordance with the CECG Rules.

Further, The Ministry of Health and Family Welfare, Government of India by a notification dated May 18, 2018 brought into force the Clinical Establishments (Central Government) Amendment Rules, 2018 (“Amendment Rules”) to amend the CECG Rules.

By way of these Amendment Rules, the Minimum Standards for Medical Diagnostic Laboratories (or Pathological Laboratories) have been notified and a schedule has been inserted which specifies the minimum standards of facilities and services that shall be complied by the Medical Diagnostic Laboratories or Pathological Laboratories. The said Schedule provides for the minimum standards in terms of infrastructure, safety signage (wherever applicable), space requirement, human resource, instruments or equipment or drugs, legal or statutory requirements and standards on basic processes.

### **The Preconception and Pre-Natal Diagnostic Techniques (Prohibition of Sex Selection) Act, 1994 as amended (“PCPNDT Act”)**

The PCPNDT Act prohibits sex selection, before or after conception; regulates use of pre-natal diagnostic techniques for the purposes of detecting genetic abnormalities or metabolic disorders or chromosomal abnormalities or certain congenital malformations or sex-linked disorders; and provide for prevention of their misuse for sex determination leading to female foeticide. The PCPNDT Act prohibits any person, organisation, genetic counselling centre, laboratory or clinic from issuing, publishing or distributing any advertisement regarding availability of facilities of pre-natal determination of sex and from employing any person who does not possess the prescribed qualifications. The PCPNDT Act mandates genetic counselling centres, genetic laboratories or genetic clinics to be registered failing which penal action could be initiated against them.

Section 23 of PCPNDT Act provides that any medical geneticist, gynaecologist, registered medical practitioner or any person who owns a Genetic Counselling Centre, a Genetic Laboratory or a Genetic Clinic or is employed in such a Centre, Laboratory or Clinic and renders his professional or technical services to or at such a Centre, Laboratory or Clinic, whether on an honorary basis or otherwise, and who contravenes any of the provisions of this Act or rules made thereunder shall be punishable with Act, 1994 & Amendments imprisonment for a term which may extend to three years and with fine which may extend to ten thousand rupees and on any subsequent conviction, with imprisonment which may extend to five years and with fine which may extend to fifty thousand rupees.

### **The Preconception and Pre-Natal Diagnostic Techniques (Prohibition of Sex Selection) Rules, 1996 as amended (“PCPNDT Rules”)**

The PCPNDT Rules prescribe minimum qualifications of employees, equipment and places for a genetic counselling centre, laboratory and clinic. The PCPNDT Rules stipulate the format in which an application for registration should be made by such centre, laboratory or clinic before the appropriate authority appointed under the NCPDT Act and lays down the manner in which records are to be maintained and preserved by such genetic counselling centre, laboratory or clinic. The PCPNDT Rules provide for code of conduct and conditions to be followed by owners, employees or any other persons associated with a genetic counselling centre, laboratory and clinic registered under the PCPNDT Act. The PCPNDT Rules further require every genetic counselling centre, laboratory and clinic to intimate every change of employee, place, address and equipment installed, to the appropriate authority within the time prescribed and preserve such information as permanent records.

### **The Atomic Energy Act, 1962 as amended (“AE Act”)**

The AE Act aims to ensure safe disposal of radioactive waste and secure public safety, including that of persons handling radioactive substances. The AE Act empowers the Central Government to inter alia:

- (i) Prohibit the manufacture, possession, use, and transfer by sale or otherwise, export and import and in any emergency, transport and disposal, of any radioactive substances without its written consent;

- (ii) require any person to make periodical returns or other such statements as regards any prescribed substance in a person's possession or control that can be a source of atomic energy; and
- (iii) In order to prevent radiation hazards, secure public safety and safety of persons handling radioactive substances or radiation generating plants, ensure safe disposal of radioactive wastes at such premises.

#### **The Atomic Energy (Radiation Protection) Rules, 2004 ("AERP Rules")**

The AERP Rules stipulate that every person intending to use any radioactive material for any purpose, in any location and in any quantity has to comply with the requirements of AE Act. The AERP Rules mandate every person handling radio-active material to apply for a license which may be subsequently modified, revoked or withdrawn at the discretion of the competent authority which is the Atomic Energy Regulatory Board ("AERB") unless exempted under AERP Rules. The license shall be valid for a period of five years from the date of its issue. The AERP Rules lay down various compliance measures inter alia as regards maintenance of radiation protection equipment and health surveillance of workers. AERP Rules also prescribe certain general safety guidelines, directives for emergency preparedness and accidents. The AERP Rules require radiation symbol or warning sign to be conspicuously and prominently displayed at all times on the radiation equipment and at the entrance of the room housing such equipment. The AERP Rules confer power upon the AERB to issue safety codes, safety standards and prescribe the requirements for radiation installation, sealed sources, radiation generating equipment and equipment containing radioactive sources, and transportation of radioactive material. The licensee has to ensure compliance with such standards and requirements. Every employer with the written approval of AERB is required to appoint a radiological safety officer who would ensure the safety of workers, safe storage and movement of radioactive material and report the loss or leakage of any radioactive material to the competent authority. The AERB has been vested with wide powers under AERP Rules for conducting inspections of premises, radiation installations and conveyances. Violations of either AERP rules or the terms of license shall be punishable with imprisonment for a term which may extent to five years or fine or both.

#### **Uttar Pradesh Fire Prevention & Fire Safety Act, 2005 r/w Uttar Pradesh Fire Prevention & Fire Safety Rules, 2005:**

This act was enacted in the Fifty-sixth Year of the Republic of India and came into force on January 24, 2005. The objective of the Act is to make more effective provisions for the fire prevention and fire safety measures in certain buildings and premises in the State of Uttar Pradesh. It further provides the authority under this act certain powers viz. inspection of buildings, premises etc., Power to seal buildings or premises, giving permission for certain types of buildings etc. and the measures to be undertaken for prevention and fire safety.

## **B. CORPORATE AND COMMERCIAL LAWS**

### **The Companies Act, 2013**

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on 29th August 2013.

The Companies Act primarily regulates the formation, financing, functioning and restructuring of separate legal entity as companies. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

### **Indian Contract Act, 1872**

Indian Contract Act codifies the way we enter into a contract, execute a contract, implementation of provisions of a contract and effects of breach of a contract. The Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced as amended from time to time. It determines the circumstances in which promise made by the parties to a contract shall be legally binding on them.

### **The Consumer Protection Act, 1986**

The Consumer Protection Act provides better protection to the interests of consumers. This is enabled with the establishment of consumer councils and other authorities for the settlement of consumers' disputes and matters connected therewith. The Consumer Protection Act protects the consumers against any unfair/restrictive trade practice that has been adopted by any trader or service provider or if the goods purchased by him suffer from any defect or deficiency. In case of consumer disputes, the same can be referred to the redressal forums set up under the Act.

### **Negotiable Instruments Act, 1881**

In India, any negotiable instruments such as cheques are governed by this Act, Section 138 of the Act, makes dishonour of cheques a criminal offence if the cheque is dishonoured on the ground of insufficiency of funds in the account maintained by a person who draws the cheque which is punishable with imprisonment as well as fine.

### **The Arbitration and Conciliation Act, 1996**

This act was enacted by Parliament in the Forty-seventh Year of the Republic of India to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation.

### **The Insolvency and Bankruptcy Code, 2016**

The Insolvency and Bankruptcy Code, 2016 (the "code") cover Insolvency of individuals, unlimited liability partnerships, Limited Liability partnerships (LLPs) and companies. The Insolvency Regulator (The Insolvency and Bankruptcy Board of India) has been established to exercise regulatory oversight over (a) Insolvency Professionals, (b) Insolvency Professional Agencies and (c) Information Utilities.

## **C. LABOUR AND EMPLOYMENT LAWS**

### **The Equal Remuneration Act, 1976 and Equal Remuneration Rules, 1976**

The Constitution of India provides for equal pay for equal work for both men and women. To give effect to this provision, the Equal Remuneration Act, 1976 was implemented. The Act provides for payment of equal wages for equal work of equal nature to male or female workers and for not making discrimination against female employees in the matters of transfers, training and promotion etc.

### **The Maternity Benefit Act, 1961**

The purpose of Maternity Act 1961 is to regulate the employment of pregnant women and to ensure that they get paid leave for a specified period during and after their pregnancy. It provides inter-alia for payment of maternity benefits, medical bonus and enacts prohibition on dismissal, reduction of wages paid to pregnant women etc. It applies in the first instance, to every establishment being a factory, mine or plantation including any such establishment belonging to Government and to every establishment wherein persons are employed for the exhibition of equestrian, acrobatic and other performances.

### **The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act")**

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 provides for the protection of women at work place and prevention of sexual harassment at work place. The Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favours or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to Rs.50,000/- (Rupees Fifty Thousand Only).

### **Employer's Liability Act, 1938**

If in any case of suit for damages, the workman shall not be deemed to have undertaken any risk attaching to the employment unless the employer proves that the risk was fully explained to and understood by the workman and that workman voluntarily undertook the same.

### **LOCAL LAWS**

Uttar Pradesh Shops & Establishment Act, 1962: This Act governs the establishment of Shops in the State of Uttar Pradesh. Under Section 4, every owner of a shop or commercial establishment shall within three months of the commencement of such business or within three months of the commencement of the U.P. Dookan Aur Vanijya Adhishthan (Sanshodhan) Adhiniyam 1976, whichever is later, apply to the Chief Inspector for registration of his shop or commercial establishment through an application in form 'L'

Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, earned leaves, payment of wages, deductions and maintenance of shops and establishments and other rights and obligations of the employers and employees.

### **D.ENVIRONMENTAL LAWS**

#### **Environment Protection Act, 1986**

The Environmental Protection Act, 1986 is an "umbrella" legislation designed to provide a framework for co-ordination of the activities of various central and state authorities established under various laws. The potential scope of the Act is broad, with "environment" defined to include water, air and land and the interrelationships which exist among water, air and land, and human beings and other living creatures, plants, micro-organisms and property.

#### **Bio-Medical Waste Management Rules, 2016, as amended ("BMW Rules")**

The Central Government has framed the BMW Rules, pursuant to the rule making power conferred under the Environment Act and in supersession of the Bio-Medical Waste (Management and Handling) Rules, 1998 and further amendments made thereof. The BMW Rules apply to all persons who generate, collect, receive, store, transport, treat, dispose, or handle bio medical waste in any form. The BMW requires an occupant 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 the environment. The BMW Rules regulates modes of treatment and disposal of "bio-medical waste" which is defined as any waste generated during diagnosis, treatment or immunization of human beings or animals or in research activities pertaining thereto or in the production or testing of animals, as defined in the BMW Rules. The BMW Rules require every occupier or operator of an institution handling bio-medical waste in any form to obtain an authorization from the prescribed authority. The BMW Rules require such authorized person to submit an annual report and an accident report to the prescribed authority and maintain relevant records. However, the prescribed authority may cancel, suspend or refuse to renew an authorisation, if for reasons to be recorded in writing, the occupier/ operator has failed to comply with any of the provisions of Environment Act or BMW Rules.

### **E. FOREIGN REGULATIONS**

#### **Foreign Trade (Development & Regulation) Act, 1992**

The Foreign Trade (Development & Regulation) Act, 1992, provides for the development and regulation of foreign trade by facilitating imports into and augmenting exports from India and for matters connected therewith or incidental thereto.

#### **Foreign Exchange Management Act, 1999 ("The FEMA") and Rules and Regulations**

Foreign investment in companies is governed by the provisions of the Foreign Exchange Management Act, 1999 ("FEMA"), read with the applicable regulations. The Department of Industrial Policy and Promotion ("DIPP"), Ministry of Commerce and Industry has issued the Consolidated FDI Policy" (the "FDI Circular") which consolidates the policy framework on Foreign Direct Investment ("FDI"), with effect from June 7, 2016.

Subject to the provisions of the FDI policy, a manufacturer is allowed to sell its products and services manufactured in India through wholesale and/or retail, including through e-commerce without government approval.

## **F. INTELLECTUAL PROPERTY LAWS**

### **The Trademarks Act, 1999 (“Trademarks Act”)**

Under the Trademarks Act, a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

### **Copyright Act, 1957**

The Copyright Act, 1957 (“Copyright Act”) protects original literary, dramatic, musical and artistic works, Cinematographic films and sound recordings from unauthorized use of such works. Unlike the case with patents, copyright protects the expressions and not the ideas. There is no copyright in an idea. The object of copyright law is to encourage authors, artists and composers to create original works by rewarding them with exclusive right for a fixed period to reproduce the works for commercial exploitation. Copyrights subsist in following class of works:

- a) Original literary, musical, dramatic and artistic works
- b) Cinematograph films
- c) Sound recordings

Under the copyright law the creator of the original expression in a work is its author who is vested with a set of exclusive rights with respect to the use and exploitation of the work. The author is also the owner of the copyright, unless there is a written agreement by which the author assigns the copyright to another person or entity, such as a publisher, where work is done under a ‘work for hire’ agreement, the copyright vests with the hirer, i.e., the person providing the work. The owner of copyright in a work can assign or license his copyright to any person, such as publisher, under a written agreement. Copyright subsists in a work since the time it comes into being. Therefore, registration of copyright neither creates any rights nor precludes enforcement of the existing ones. However, owing to its evidentiary value, a registered copyright is easier to establish in the court of law. The term of copyright varies across different types of works. In the case of broadcasts, the Act grants “broadcast reproduction rights” to broadcasting organizations which subsist for 25 years.

## **G. Tax Laws**

### **Income Tax Act, 1961**

The Income Tax Act, 1961 deals with the taxation of individuals, corporate, partnership firms and others. As per the provisions of this Act the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Act. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act. Filing of returns of Income is compulsory for all assesses. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act.

### **The Central Goods and Services Tax Act, 2017**

The Act received assent of the President on 12th April 2017 and came into force from 1st July 2017. Goods and Service Tax (GST) is an indirect tax levied on the supply of goods and services. This law has replaced many indirect tax laws that previously existed in India such as Service tax, Central Excise Act, Entry Tax, Octroi, Additional customs duty and other draconian indirect taxes. There are 3 taxes applicable under this system- CGST, SGST, IGST.

**CGST:** is collected by the Central Government on an intra-state sale;

**SGST:** Collected by the State Government on an intra-state sale;

**IGST:** Collected by the Central Government for inter-state sale.

Following laws which have been subsumed in GST Acts were applicable to the Company till 30th June 2017 and shall remain applicable here after as stated in the GST ACTS.

**Service Tax, (the ‘Finance Act, 1994’)**

Service tax was charged on taxable services as defined in Chapter V of Finance Act, 1994, which required a service provider of taxable services to collect service tax from a service recipient and pay such tax to the Government.

There are other indirect taxes which are now subsumed under GST and these are Additional Duties of Excise, Cess, Purchase Tax, Taxes on advertisements.

**Customs Act, 1962**

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code).

**The Uttar Pradesh Value Added Tax (“UP-VAT”)**

VAT is a system of multi-point levy on each of the purchases in the supply chain with the facility of set-off input tax on sales whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. VAT is based on the value addition of goods, and the related VAT liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period. VAT is a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of services, and each state that has introduced VAT has its own VAT Act, under which, persons liable to pay VAT must register and obtain a registration number from Sales Tax Officer of the respective State.

## HISTORY AND CORPORATE STRUCTURE

### BRIEF HISTORY AND BACKGROUND

Our Company was incorporated as a public limited company under the Companies Act, 2013 and registered with the Registrar of Companies, Uttar Pradesh, Kanpur with the name & style “Gian Life Care Limited” pursuant to a certificate of incorporation dated November 06, 2018. Subsequently, our Company has acquired the entire business with all the assets and liabilities of M/s Gian Pathology & X- Ray, sole proprietorship concern of our Promoter Mr. Arun Kumar Gupta w.e.f. March 01, 2019. The Corporate Identity Number of our Company is U85100UP2018PLC110119.

Mr. Arun Kumar Gupta, Mrs. Avani Gupta, Mr. Devang Agarwal, Ms. Rashika Agarwal, Mr. Manjeet Singh, Mr. Pravin Tomar and Ms. Akanksha Gupta are the initial subscribers to the Memorandum of Association of our Company.

For information on our Company’s profile, activities, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major Vendors and suppliers, please refer the sections titled “*Our Business*”, “*Industry Overview*”, “*Our Management*”, “*Financial information of the Company*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 78, 72, 97, 113 & 138 respectively of this Draft Prospectus.

### ADDRESS OF REGISTERED & CORPORATE OFFICE

<b>Registered Office</b>	7/216 (6) Swaroop Nagar, Kanpur Uttar Pradesh – 208002, India
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### CHANGES IN REGISTERED OFFICE OF THE COMPANY SINCE INCORPORATION

There has not been any change in our Registered Office since inception till the date of the Draft Prospectus.

### OUR MAIN OBJECTS

The main objects of our Company, as set forth in our Memorandum of Association, of our company are as follows:

- To take over the existing business of the proprietorship firm GIAN PATHOLOGY AND X-RAY and after the take over the same proprietorship firm GIAN PATHOLOGY AND X-RAY shall be dissolved and to continue and carry on the business of Medicine and Pathology advisory and consultation services, and to set up, engage, collaborate, acquire, purchase, maintain, open collection centers, conduct, manage, own, run laboratories for carrying out pathological investigation of various branches of bio-chemistry, hematology, histopathology, microbiology, electrophoresis, immunochemistry, virology and other pathological investigations and also to manufacturing, stockiest, agent, dealers, import/export of pathological/medical related products, medicines, devices and others.

### CHANGES IN MEMORANDUM OF ASSOCIATION

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

Date of Meeting	Type of Meeting	Amendment
April 05, 2019	EGM	Increase in the authorized share Capital of the Company from ₹ 10.00 Lakhs divided into 100,000 Equity Shares of ₹ 10/- each to ₹ 500.00 Lakhs divided into 50,00,000 Equity Shares of ₹ 10/- each.

### KEY EVENTS AND MILESTONES

The Table below sets forth some of the major events in the history of our company:

Year/F.Y.	Key Events / Milestone / Achievements
2018	Incorporation of the Company in the name of “Gian Life Care Limited”



Year/F.Y.	Key Events / Milestone / Achievements
2019	Acquired the running business along with substantial assets and liabilities of Gian Pathology and X rays, proprietorship concern of our Promoter.

## OTHER DETAILS ABOUT OUR COMPANY

For details of our Company's activities, products, growth, capacity, location of plants, technology, marketing strategy, competition and our customers, please refer section titled "*Our Business*", "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*" and "*Basis for Issue Price*" on pages 78, 138 and 67 respectively of this Draft Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled "*Our Management*" and "*Capital Structure*" beginning on page 97 and 47 of the Draft Prospectus respectively.

## CAPITAL RAISING (DEBT / EQUITY)

For details in relation to our capital raising activities through equity, please refer to the chapter titled "*Capital Structure*" beginning on page 47 of the Draft Prospectus.

For a description of our Company's debt facilities, see "*Statement of Financial Indebtedness*" on page 137 of the Draft Prospectus.

## CHANGES IN ACTIVITIES OF OUR COMPANY DURING THE LAST FIVE (5) YEARS

There has not been any change in the activity of our Company during the last five (5) years preceding the date of this Draft Prospectus.

## HOLDING COMPANY

As on the date of the Draft Prospectus, our Company is not a subsidiary of any company.

## SUBSIDIARY OF OUR COMPANY

As on the date of this Draft Prospectus, our Company does not have any subsidiary Company.

## INJUNCTION OR RESTRAINING ORDER

There are no injunctions/restraining orders that have been passed against the Company.

## DETAILS REGARDING ACQUISITION OF BUSINESS/UNDERTAKINGS, MERGERS, AMALGAMATION, REVALUATION OF ASSETS ETC

There are no mergers, amalgamation, etc. with respect to our Company and we have not acquired any business/undertakings since incorporation except for the takeover of proprietorship firm of our Promoter namely M/s Gian Pathology and X Rays along with all substantial assets and liabilities for a consideration of Rs 328.66 lakhs vide business transfer agreement dated March 01, 2019.

## NUMBER OF SHAREHOLDERS OF OUR COMPANY:

Our Company has Seven (7) shareholders as on the date of this Draft Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled "*Capital Structure*" beginning on page 47 of the Draft Prospectus.

## CHANGES IN THE MANAGEMENT

For details of change in Management, please see chapter titled "*Our Management*" on page 97 of the Draft Prospectus.

## **SHAREHOLDERS AGREEMENTS**

There are no subsisting shareholder's agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same as on the date of the Draft Prospectus.

## **COLLABORATION AGREEMENTS**

As on date of this Draft Prospectus, Our Company is not a party to any collaboration agreements.

## **KEY TERMS OF OTHER SUBSISTING MATERIAL AGREEMENTS**

Our Company has not entered into any other subsisting material agreements including with strategic partners, joint venture partners, and/or financial partners other than in the ordinary course of business of our Company.

## **STRATEGIC OR FINANCIAL PARTNERS**

Our Company does not have any strategic or financial partners as on the date of this Draft Prospectus.

## **TIME AND COST OVERRUNS IN SETTING UP PROJECTS**

There has been no time / cost overrun in setting up projects by our Company.

## **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS**

Our Company has in the past made defaults in the repayment of the loans on the financial facilities taken by our company. However, the Company has as on the date of this Draft Prospectus make good all such defaults and as on date there are no defaults on the loans pending against the Company.

## **OTHER AGREEMENTS**

### **NON COMPETE AGREEMENT**

Our Company has not entered into any No- compete Agreement as on the date of filing of this Draft Prospectus.

### **JOINT VENTURE AGREEMENT**

Our Company has not entered into any Joint Venture Agreement as on the date of filing of this Draft Prospectus.

### **AGREEMENTS WITH KEY MANAGERIAL PERSONNEL, DIRECTORS, PROMOTERS OR ANY OTHER EMPLOYEE**

There are no agreements entered into by a Key Managerial Personnel or Directors or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

### **REVALUATION OF ASSETS**

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

### **GUARANTEES GIVEN BY PROMOTER OFFERING ITS SHARES IN THE ISSUE**

Our Promoter is not offering any of the Equity Shares held by the Promoter in the Company in the Issue.

## OUR MANAGEMENT

### Board of Directors

In terms of the Articles of Association of our Company, our Company is required to have not more than fifteen (15) Directors and not less than three (3) Directors. As on the date of this Draft Prospectus, our Board comprises of four (4) Directors, out of which one (1) is Executive Director, one (1) Non-Executive Director, and two (2) are Non-Executive Independent Directors.

The following table sets forth the details regarding our Board of Directors of our Company as on the date of filing of this Draft Prospectus:

Sr. No.	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date & Terms of Appointment	No. of Equity Shares held & % of Share holding (Pre Issue)	Other Directorships /Partnerships
1.	<b>Mr. Arun Kumar Gupta</b> <b>Father Name:</b> Mr. Gyan Chand Gupta <b>DOB:</b> October 25, 1962 <b>Age:</b> 56 Years <b>Designation:</b> Chairman & Managing Director <b>Address:</b> 7/216 (6) Swaroop Nagar, Kanpur-208002, India <b>Experience:</b> 24 Years <b>Occupation:</b> Business <b>Qualifications:</b> MBBS and MD-Pathologist <b>Nationality:</b> Indian <b>DIN:</b> 01331593	Originally appointed on the Board w.e.f. November 06, 2018 as Executive Director.  Further designated as Chairman and Managing Director w.e.f. 15.03.2019 for a period of 5 years.	3144797 Equity Shares; 95.74% of Pre-Issue Paid up capital	<b>Companies:</b> Nil <b>LLP:</b> Gian Path Labs LLP
2.	<b>Ms. Rashika Gupta</b> <b>Father Name:</b> Mr. Arun Kumar Gupta <b>DOB:</b> March 05, 1993 <b>Age:</b> 25 Years <b>Designation:</b> Non-Executive Director <b>Address:</b> 7/216 (6) Swaroop Nagar, Kanpur-208002, India <b>Experience:</b> Nil <b>Occupation:</b> Business <b>Qualifications:</b> Bachelor of Architecture <b>Nationality:</b> Indian <b>DIN:</b> 08275078	Originally appointed on the Board w.e.f. November 06, 2018 as Executive Director.  Further Designated as Non-Executive Director w.e.f. 15.03.2019.  (Liable to retire by rotation)	99500 Equity Shares; 3.03% of Pre- Issue Paid up capital	<b>Companies:</b> Nil <b>LLP:</b> Nil
3.	<b>Mr. Manoj Kumar Agarwal</b> <b>Father Name:</b> Mr. Vishnu Narain Agarwal <b>DOB:</b> July 16, 1965 <b>Age:</b> 54 Years <b>Designation:</b> Independent Director <b>Address:</b> Flat No. 604, Pushpi Apartment, Sharda Nagar, Kanpur Nagar, Uttar Pradesh-208025 <b>Experience:</b> 26 years <b>Occupation:</b> Profession	Appointed on the Board w.e.f. 15.03.2019 as Independent Director for a period of 5 years.	NIL	1. CD & M Remedies Pvt. Ltd. 2. Santesoin Pharma LLP

Sr. No.	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date & Terms of Appointment	No. of Equity Shares held & % of Share holding (Pre Issue)	Other Directorships /Partnerships
	<b>Qualifications:</b> MBBS <b>Nationality:</b> Indian <b>DIN:</b> 06488784			
4.	<b>Mr. Ashutosh Kumar Asthana</b> <b>Father Name:</b> Mr. Yogendra Verma <b>DOB:</b> May 28, 1977 <b>Age:</b> 42 Years <b>Designation:</b> Independent Director <b>Address:</b> B-303, Parasvath Prestige sector 93A Noida, Uttar Pradesh-201304 <b>Experience:</b> 18years <b>Occupation:</b> Business <b>Qualifications:</b> Master in Business Administration <b>Nationality:</b> Indian <b>DIN:</b> 07102975	Appointed on the Board w.e.f. 15.03.2019 as Independent Director for a period of 5 years.	NIL	Washingtonne Hygienik Private Limited

### **BRIEF PROFILE OF OUR DIRECTORS**

#### **1. Mr. Arun Kumar Gupta, Chairman and Managing Director, Age: 56 Years**

Mr. Arun Kumar Gupta is the Chairman, Managing Director and Promoter of our Company. Mr. Arun Kumar Gupta completed degree in Pathology from G.S.V.M. Medical College in Kanpur & MD in clinical pathology from the GSVM medical college Kanpur. He was one of the First Directors of the Company, originally appointed as an Executive Director on the board since November 06, 2018 and further designated as Chairman and Managing Director of the Company w.e.f. 15.03.2019 for 5 years. Mr. Arun Kumar Gupta serves as Founder of Gian Pathology and X-Ray (A Proprietor Firm) established in 1995. He has over 24 years of experience in the field of pathology. He embarked upon a modernization programme keeping in view the rapid global advancements in the field of laboratory medicine. Under his expert guidance and leadership, Gian Pathology has gained its name and place among laboratories in East and Central Uttar Pradesh. Under his leadership and guidance we have been able to introduce the maximum number of new tests, instruments and ICT (Information, Communications and Technology) systems.

#### **2. Ms. Rashika Gupta, Non- Executive Director, Age: 25 Years**

Ms. Rashika Gupta is the Non-Executive Director of our company. She was also one of the First Directors of the Company, originally appointed as an Executive Director on the board since November 06, 2018. She was further designated as Non-Executive Director of the Company w.e.f. 15.03.2019. She holds a Bachelor degree in Architecture from Babu Banarasi Das University, Lucknow Uttar Pradesh.

#### **3. Mr. Manoj Kumar Agarwal, Independent Director, Age: 54 Years**

Mr. Manoj Kumar Agarwal is the Independent Director of our company. He holds a Degree in Medical Science from G.S.V.M. Medical College, Kanpur University. He was appointed as an Additional Independent Director of the Company on 15.03.2019 and was regularized as a Non-Executive Independent Director of the Company w.e.f. 05.04.2019. He has vast experience in the field of Medical science and clinical pathology.

#### **4. Mr. Ashutosh Kumar Asthana, Independent Director, Age: 42 Years**

Mr. Ashutosh Kumar Asthana is the Independent Director of our company. He holds a Master of Business Administration. He was appointed as an Additional Independent Director of the Company on 15.03.2019 and was regularized as a Non-

Executive Independent Director of the Company w.e.f. 05.04.2019. He has vast experience in the field of finance and hospitality Industry.

### **Confirmations**

- None of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.
- None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the tenure of their directorship in such company.
- None of the above mentioned Directors are on the RBI list of willful defaulters as on the date of filling of this Draft Prospectus.
- Further, our Company, our Promoters, persons forming part of our Promoter Group, Directors and person in control of our Company has/ have not been not debarred from accessing the capital market by SEBI or any other Regulatory Authority.

### **Nature of any family relationship between our Directors:**

Except as mentioned below, none of our directors are related to each other within the meaning of section 2(77) of the Companies Act, 2013:

<b>Name and designation of Directors</b>	<b>Relationship with Other Directors</b>
Mr. Arun Kumar Gupta, Chairman and Managing Director	Father of Ms. Rashika Agarwal, Non-Executive Director
Mr. Arun Kumar Gupta, Chairman and Managing Director	Spouse of Mrs. Avani Gupta, Chief Financial Officer

### **Arrangements with major Shareholders, Customers, Suppliers or Others:**

Except as disclosed under chapter titled “*History and certain Corporate matters*” beginning on page 94 of this Draft Prospectus, we have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our Directors were selected as Directors or members of the senior management.

### **Service Contracts:**

The Directors of our Company have not entered into any service contracts with our company which provides for benefits upon termination of their employment.

### **Details of Borrowing Powers of Directors**

Our Company has passed a Special Resolution in the Extra Ordinary General Meeting of the members held on April 05, 2019 authorizing the Board of Directors of the Company under Section 180 (1)(c) of the Companies Act, 2013 to borrow from time to time all such money as they may deem necessary for the purpose of business of our Company notwithstanding that money borrowed by the Company together with the monies already borrowed by our Company may exceed the aggregate of the paid up share capital and free reserves provided that the total amount borrowed by the Board of Directors shall not exceed the sum of Rs. 200 Crores (Rupees Two Hundred Crores only).

### **Compensation of our Managing Director**

The compensation payable to our Managing Director will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof).

The following compensation has been approved for Managing Director:

<b>Particulars</b>	<b>Mr. Arun Kumar Gupta</b>
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Re-Appointment/Change in Designation	Chairman & Managing Director w.e.f. 15.03.2019
Designation	Chairman & Managing Director
Term of Appointment	Appointed for 5 years
Remuneration	5 Lakhs per month
Remuneration paid for Year 2018-19	NIL

### **Bonus or Profit Sharing Plan for our Directors**

We have no bonus or profit sharing plan for our Directors.

### **Sitting Fee**

The Articles of Association of our Company provides that payment of sitting fees to Directors (other than Managing Director), not exceeding ₹ 1.00 Lac to be fixed by directors from time to time, for attending a meeting of the Board or a Committee thereof. Our Board of Directors has resolved in their meeting dated April 12, 2019 for payment of an amount of ₹ 1,000.00 as approved by the Board to all Non-Executive Directors for attending each such meeting of the Board or Committee thereof.

### **SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY**

Sr. No.	Name of Directors	No. of Shares held	Holding in %
1.	Mr. Arun Kumar Gupta	31,44,797	95.741
2.	Mrs. Rashika Gupta	99,500	3.029
<b>Total</b>		<b>32,44,297</b>	<b>98.77</b>

*None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Draft Prospectus.*

*We do not have any subsidiary and associate company as defined under Section 2(87) & 2(6) of the Companies Act, 2013.*

Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.

### **Appointment of relatives of our Directors to any office or place of profit**

Except as mentioned in this chapter, none of the relatives of our Directors currently holds any office or place of profit in our Company.

### **INTEREST OF DIRECTORS**

All the Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board of Directors or a Committee thereof as well as to the extent of remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, see- "**Compensation of our Managing Director**" beginning on Chapter titled "**Our Management**" page 97 of this Draft Prospectus.

Our Directors may also be regarded as interested to the extent of their shareholding and dividend payable thereon, if any, and to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our Director are also interested to the extent of unsecured loans, if any, given by them to our Company and for the Personal Guarantee given by Directors towards financing facility availed by our Company. For details of the related party transactions please refer to "**Statement of Financial Indebtedness**" and "Annexure XXIX" of Section "**Financial Information of the Company**" on page 137 and 132 respectively of this Draft Prospectus.

Except for the purchase agreement entered between our company and our Managing Director for purchase of the running business of Gian Pathology and X Rays and as stated otherwise in this Draft Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of this Draft Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts,

agreements or arrangements which are proposed to be entered into with them.

### **Interest in the property of Our Company**

Except as disclosed in this Draft Prospectus and the property purchased by our company through the purchase agreement entered between our company and our Managing Director for purchase of the running business of Gian Pathology and X Rays along with the assets and liabilities, our Directors do not have any other interest in any property acquired/rented by our Company or proposed to be acquired by us as on date of this Draft Prospectus.

Further the registered office of our company situated at 7/216 Swaroop Nagar, Kanpur admeasuring 208.47 sq. mtrs. has been on rent by our company from our Promoter Mr. Arun Kumar Gupta vide a rent agreement dated February 27, 2019 at a rent of Rs. 1,50,000 per month and a security deposit amounting to 3 months' rent.

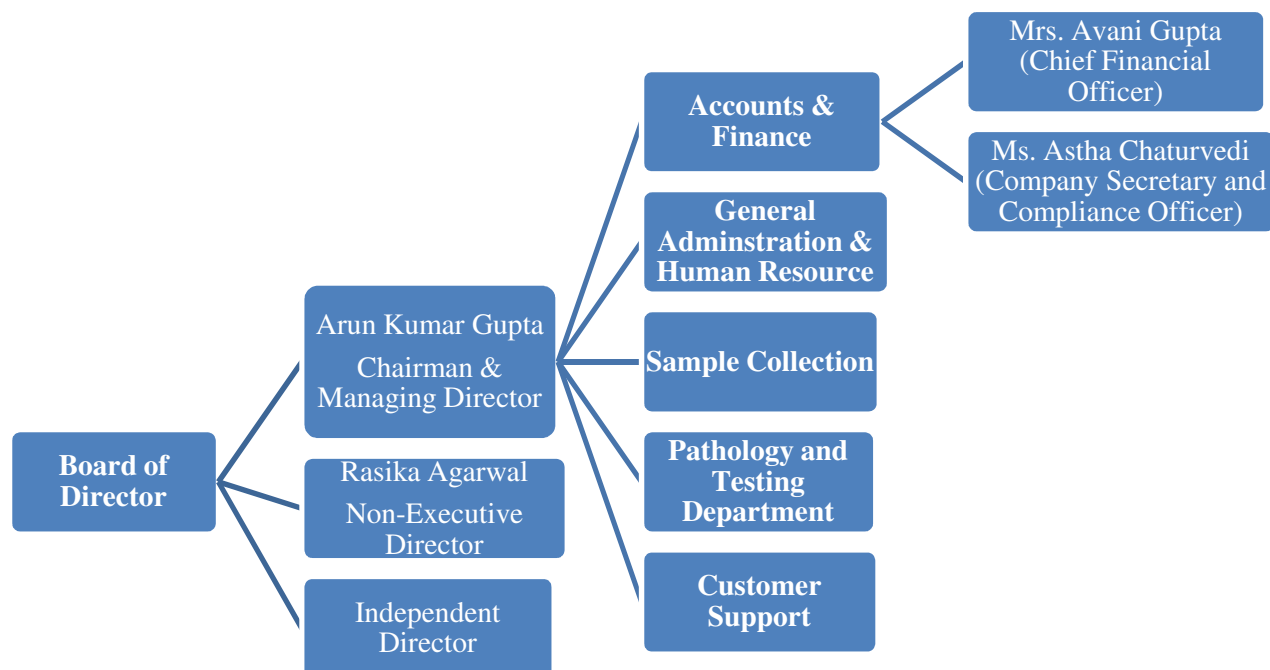
### **CHANGES IN BOARD OF DIRECTORS IN LAST 3 YEARS**

Except as mentioned herein under, there were no other changes in the Board of Directors during the three years immediately preceding the date of last financial year.

Sr. No.	Name	Date & Nature of Change	Reasons for Change
1.	Mr. Manoj Kumar Agarwal	Appointed as Independent Director w.e.f March 15, 2019	To ensure better Corporate Governance
2.	Mr. Ashutosh Kumar Asthana	Appointed as Independent Director w.e.f March 15, 2019	To ensure better Corporate Governance
3.	Mrs. Avani Gupta	Cessation from post of Directorship w.e.f. March 15, 2019 Appointed as CFO w.e.f. March 15, 2019	To ensure better Corporate Governance
4.	Mr. Arun Kumar Gupta	Re-designated as Chairman & Managing Director w.e.f. March 15, 2019	To ensure better Corporate Governance
5.	Ms. Rashika Agarwal	Re-designated as Non-Executive Director w.e.f. March 15, 2019	To ensure better Corporate Governance

### **MANAGEMENT ORGANISATION STRUCTURE**

The following chart depicts our Management Organization Structure: -



## COMPLIANCE WITH CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the SME Platform of BSE. The requirements pertaining to the Composition of the Board of Directors and the constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committees, as applicable on us, have been complied with.

Our Board has been constituted in compliance with the Companies Act and in accordance with the best practices in corporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board of Directors consists of total Four (4) directors, including one-woman director, out of which Two (2) are Independent Directors on the Board. The constitution of our Board is in compliance with Section 149 of the Companies Act, 2013.

Our Company has constituted the following committees:

### 1. Audit Committee

Our Company has constituted an Audit Committee ("Audit Committee"), vide Board Resolution dated April 12, 2019 as per the applicable provisions of the Section 177 of the Companies Act, 2013 and also to comply with Regulation 18 of SEBI Listing Regulations, 2015 applicable upon listing of the Company's Equity shares on SME platform of BSE ("BSE SME"), The constituted Audit Committee comprises following members:

Name of the Directors	Status in Committee	Nature of Directorship
Ms. Rashika Agarwal	Chairperson	Non-Executive Director
Mr. Manoj Kumar Agarwal	Member	Independent Director
Mr. Ashutosh Kumar Asthana	Member	Independent Director



The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairperson of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

**A. Tenure:** The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

**B. Meetings of the Committee:** The committee shall meet as and when the need arise. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher

**C. Role and Powers:** The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI Listing Regulation, 2015 and Companies Act, 2013 shall be as under:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval, with particular reference to;
  - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - changes, if any, in accounting policies and practices and reasons for the same;
  - major accounting entries involving estimates based on the exercise of judgment by management;
  - significant adjustments made in the financial statements arising out of audit findings;
  - compliance with listing and other legal requirements relating to financial statements;
  - disclosure of any related party transactions;
  - modified opinion(s) in the draft audit report;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
16. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. 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;
18. 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;
19. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board.

20. 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;
21. To review the functioning of the whistle blower mechanism;
22. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
23. Audit committee shall oversee the vigil mechanism.
24. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.
25. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.

Further, the Audit Committee shall mandatorily review the following:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the chief internal auditor
- f) Statement of deviations:
  - Half-yearly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

## 2. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per Regulation 20 of SEBI Listing Regulation, 2015 vide Resolution dated April 12, 2019. The constituted Stakeholders Relationship Committee comprises the following:

Name of the Director	Status in Committee	Nature of Directorship
Ms. Rashika Agarwal	Chairperson	Non-Executive Director
Mr. Manoj Kumar Agarwal	Member	Independent Director
Mr. Ashutosh Kumar Asthana	Member	Independent Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

- A. Tenure:** The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.
- B. Meetings:** The committee shall meet as and when the need arise. The quorum for the meetings shall be one third of the total strength of the committee or two members, whichever is higher.
- C. Terms of Reference:** Redressal of shareholders' and investors' complaints, including and in respect of:
  - Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
  - Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
  - Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
  - Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
  - Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
  - Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider

Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.

- Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
- Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

### 3. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee as per Regulation 19 of SEBI Listing Regulation, 2015 vide Resolution dated April 12, 2019. The Nomination and Remuneration Committee comprise the following:

Name of the Director	Status in Committee	Nature of Directorship
Ms. Rashika Agarwal	Chairperson	Non-Executive Director
Mr. Manoj Kumar Agarwal	Member	Independent Director
Mr. Ashutosh Kumar Asthana	Member	Independent Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

**A. Tenure:** The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

**B. Meetings:** The committee shall meet as and when the need arise. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.

#### C. Role of Terms of Reference:

- Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board for their appointment and removal and shall carry out evaluation of every director's performance;
- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- Decide the amount of Commission payable to the Whole Time Directors;
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.; and
- To formulate and administer the Employee Stock Option Scheme.

### **POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING**

The provisions of regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME platform of BSE. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. Further, Board of Directors at their meeting held on April 12, 2019 have approved and adopted the policy on insider trading in view of the proposed public Issue.

Ms. Astha Chaturvedi, Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, and monitoring to the rules for the preservation of price sensitive information and Code of Conduct under the overall supervision of the Board.

### **POLICY FOR DETERMINATION OF MATERIALITY & MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS**

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on SME Platform of BSE. We shall comply with the requirements of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 on listing of Equity Shares on the SME platform of BSE. The Board of Directors at their meeting held on April 12, 2019 have approved and adopted the policy for determination of materiality and determination of materiality of related party transactions and on dealing with related party transactions.

### **Our Key Managerial Personnel**

Our Company is supported by a well-laid team having good exposure to various operational aspects of our line of business. A brief about the Key Managerial Personnel of our Company is given below:

<b>Name, Designation &amp; Educational Qualification</b>	<b>Age (Year)</b>	<b>Year of Joining</b>	<b>Compensation paid for the F.Y ended 2019 (in ₹ Lacs)</b>	<b>Over all experience (in years)</b>	<b>Previous employment</b>
<b>Name:</b> Mr. Arun Kumar Gupta <b>Designation:</b> Chairman & Managing Director <b>Qualification:</b> MBBS and MD-Pathologist	56	2019*	Nil	24	Gian Pathology and X Rays as Proprietor
<b>Name:</b> Ms. Astha Chaturvedi <b>Designation:</b> Company Secretary & Compliance Officer <b>Qualification:</b> Company Secretary	31	2019	--	7	Frost International Limited
<b>Name:</b> Mrs. Avani Gupta <b>Designation:</b> Chief Financial Officer <b>Qualification:</b> Bachelor of Art Part I	52	2019**	Nil	7	Gian Medical Store

\*year of joining as Chairman and Managing Director

\*\*year of joining as Chief Financial Officer

### **BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL**

#### **1. Mr. Arun Kumar Gupta, Chairman and Managing Director, Age: 56 Years**

Please refer to section “Brief Profile of our Directors” beginning on page 97 of this Draft Prospectus for details.

#### **2. Mr. Astha Chaturvedi, Company Secretary & Compliance Officer, Age: 31 Years**

Ms. Astha Chaturvedi is Company Secretary and Compliance officer of our Company. She holds a Company Secretary degree of The Institute of Company Secretaries of India. She looks after the secretarial and compliance related matters of our Company. She was appointed on March 15, 2019. He has an overall experience of about 7 years.

#### **3. Mrs. Avani Gupta, Chief Financial Officer, Age: 52 Years**

Mrs. Avani Gupta is the Director and Chief Financial Officer of our company. She has pursued Bachelors of Arts Part I from Kanpur University. She was also one of the First Directors of the Company, originally appointed as an Executive Director on the board since November 06, 2018 and further designated as Chief Financial Officer of the Company w.e.f. 15.03.2019. She currently looks after the accounts and finance requirements of the Company. Apart from this she also looks after the administration and Human Resource activities of the company

**We confirm that:**

- All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel have been recruited.
- None of our KMPs except Mr. Arun Kumar Gupta is also part of the Board of Directors.
- In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the period ended March 31, 2019
- Except for the terms set forth in the appointment Letters the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.
- None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Draft Prospectus except as under:

Sr. No.	Name of the KMP	Shareholding
1.	Mr. Arun Kumar Gupta	31,44,797
2.	Mrs. Avani Gupta	99,500
	<b>Total</b>	<b>32,44,297</b>

- Presently, we do not have ESOP/ESPS scheme for our employees.
- The turnover of KMPs is not high, compared to the Industry to which our Company belongs.

**RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL**

The Key Managerial Personnel of the Company are related to each other within the meaning of section 2 (77) of the Companies Act, 2013. Details of which are as follows:

Sr No.	Name of the KMP	Relationship with other KMP
1.	Mr. Arun Kumar Gupta, Managing Director	Spouse of Mrs. Avani Gupta, Chief Financial Officer

**Loans availed by Directors / Key Managerial Personnel of our Company**

None of the Key Managerial Personnel have availed loan from our Company which is outstanding as on the date of this Draft Prospectus.

**Payment of Benefits to Officers of our Company (non-salary related)**

Except as disclosed in this Draft Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance

**Changes in the Key Managerial Personnel in last three years:**

There have been no changes in the Key Managerial Personnel of our Company during the last three years except as stated below:

Sr. No.	Name	Designation	Date of Appointment/ Cessation/Promotion/ Transfer	Reasons
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1.	Mr. Arun Kumar Gupta	Chairman & Managing Director	March 15, 2019	Change in Designation
2.	Mr. Avani Gupta	Chief Financial Officer	March 15, 2019	Appointment
3.	Ms. Astha Chaturvedi	Compliance Officer and Company Secretary	March 15, 2019	Appointment

### **INTEREST OF KEY MANAGERIAL PERSONNEL IN OUR COMPANY**

Apart from the shares held in the Company and to extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to or borrowed from the Company, none of our key managerial personal are interested in our Company. For details, please refer section titled "**Financial information of the Company - Related Party Transactions**" beginning on page 132 of this Draft Prospectus

#### **Interest in the Property of our Company**

Except as disclosed in this Draft Prospectus and the property purchased by our company through the purchase agreement entered between our company and our Managing Director for purchase of the running business of Gian Pathology and X Rays along with the assets and liabilities, our Directors do not have any other interest in any property acquired/rented by our Company or proposed to be acquired by us as on date of Draft Prospectus. Further the registered office of our company situated at 7/216 Swaroop Nagar, Kanpur admeasuring 208.47 sq. mtrs. has been on rent by our company from our Promoter Mr. Arun Kumar Gupta vide a rent agreement dated February 27, 2019 at a rent of Rs. 1,50,000 per month and a security deposit amounting to 3 months' rent.

Except as provided in this Draft Prospectus, we have not entered into any contract, agreement or arrangement during the preceding 2 (two) years from the date of this Draft Prospectus in which the Key Managerial Personnel are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

For the details unsecured loan taken from or given to our Directors/KMPs and for details of transaction entered by them in the past please refer to "**Annexure XXIX – Restated statement of related party transaction**" page132 of this Draft Prospectus.

Further, our KMPs may be interested to the extent of personal guarantees given by them and their relatives in favour of the Company, for the details of Personal Guarantee given towards Financial facilities of our Company please refer to "**Statement of Financial Indebtedness**" and "**Financial Information of our Company**" on page 137 & 113 respectively of this Draft Prospectus.

#### **OTHER BENEFITS TO OUR KEY MANAGERIAL PERSONNEL**

Except as stated in this Draft Prospectus, there are no other benefits payable to our Key Managerial Personnel.

#### **EMPLOYEES**

The details about our employees appear under the Paragraph titled Human Resource in Chapter titled Our Business beginning on page 78 of this Draft Prospectus.

## OUR PROMOTER & PROMOTER GROUP

### OUR PROMOTERS

The Promoter of our Company is Mr. Arun Kumar Gupta. As on the date of this Draft Prospectus, our Promoter holds 31,44,797 Equity Shares in aggregate, which is equivalent to 95.74% of the pre-issued, subscribed and paid-up Equity Share capital of our Company. For details of the build-up of our Promoter's shareholding in our Company, please refer the chapter titled "*Capital Structure*" on page 47 of this Draft Prospectus.

#### The brief profile of our Promoter is as under:

##### Mr. Arun Kumar Gupta



Mr. Arun Kumar Gupta, aged 56 years, is the Promoter, Chairman and Managing Director of our Company. Mr. Arun Kumar Gupta has completed his degree in Pathology from G.S.V.M. Medical College in Kanpur. Initially, He started with a small laboratory at Swaroop Nagar in the name of "Gian Pathology and X Rays". In due course of time the small laboratory took the shape of a big diagnostic center based out at Kanpur.

**Date of Birth:** 25/10/1962

**PAN:** AFRPG1455P

**Driving License:** UP78 19950039440 (Expired)

**Aadhar No:** 748623347069

**Address:** 7/216(6), Swaroop Nagar, Kanpur – 208002 – Uttar Pradesh

**Other Interest:** Gian Path Labs LLP

For further details, relating to Mr. Arun Kumar Gupta, including terms of appointment as Managing Director, educational qualifications and experience please refers "*Our Management*" on page 97 of this Draft Prospectus.

### Confirmations/Declarations

Our Company confirms that the details of the PAN, Bank Account Number and Passport Numbers of our Promoter will be submitted to BSE Limited at the time of filing the Draft Prospectus

### Other ventures of our Promoter

Except as disclosed herein below and in the chapter titled "*Our Management*" beginning on page 97 of this Draft Prospectus, our Promoter is not involved with any other venture.

### Experience of our Promoter in the business of our Company

For details in relation to experience of our Promoter in the business of our Company, please refer chapter titled "*Our Management*" beginning on page 97 of this Draft Prospectus.

### Interest of Promoters

Our Promoter is interested in our Company to the extent that he has promoted our Company and to the extent of his shareholding and the dividend receivable, if any and other distributions in respect of the equity shares held by him. Further our promoter may also be deemed interested for the shareholding of his relatives and the dividend receivable, if any and other distributions in respect of the equity shares held by them. For details regarding shareholding of our Promoter in our Company, please refer to the chapter titled "*Capital Structure*" beginning on page 47 of this Draft Prospectus.

Our Promoter, Mr. Arun Kumar Gupta who is also Managing Director of the Company may be deemed to be interested to the extent of remuneration, and/or reimbursement of expenses payable to him for services rendered to us in accordance with the provisions of the Companies Act and in terms of the appointments entered into with our Company, if any, and the AOA of

our Company. Further, the relative of our Promoter Ms. Rashika Agarwal is also on the board of our Company and may be deemed to be interested to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of the appointments entered into with our Company. For details, please refer to the chapters titled "Our Management" and "Financial Information of the Company" and "Capital Structure" beginning on page 97, 113 & 47 respectively of this Draft Prospectus.

Our Company has purchased the running business of M/s. Gian Pathology and X Rays, a sole proprietorship concern of our Promoter Mr. Arun Kumar Gupta. Except as disclosed in this Draft Prospectus, our Promoter and Directors do not have any other interest whether direct or indirect in any property acquired by our Company within the preceding three years from the date of filing this Draft Prospectus or proposed to be acquired by our Company or in any transaction by our Company as on the date of this Draft Prospectus for acquisition of land, construction of building or supply of machinery. Further the registered office of our company situated at 7/216 Swaroop Nagar, Kanpur admeasuring 208.47 sq. mtrs has been on rent by our company from our Promoter Mr. Arun Kumar Gupta vide a rent agreement dated February 27, 2019 at a rent of Rs. 1,50,000 per month and a security deposit amounting to 3 months' rent.

Our Promoter is not interested as a member of a firm or a company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person for services rendered by them or by such firm or company in connection with the promotion or formation of our Company.

#### **Other Interest**

Other than as disclosed in our Financial Statements or this Draft Prospectus, our Company has not entered into any contracts, agreements or arrangements during the preceding two years from the date of this Draft Prospectus.

For details of related party transactions entered into by our Company during last financial year with our Promoter, the nature of transactions and the cumulative value of transactions, please refer to the Annexure XXIX of "Related Party Transactions" beginning on page 132 of this Draft Prospectus.

#### **Payment of benefits to our Promoter**

Except as stated in the chapter titled "Related Party Transactions-Annexure XXIX" and "Our Management" beginning on pages 132 and 97 respectively, there has been no payment of benefits to our Promoter and Promoter Group during the two years preceding the date of filing of this Draft Prospectus.

There have been no material guarantees, given to third parties by our promoters with respect to specified securities of the Company.

#### **Companies with which our Promoter has disassociated in the last three years**

Our Promoters have not disassociated with any company or firm during the three years preceding the date of filing of this Draft Prospectus except for the below:-

Our Promoter Mr. Arun Kumar Gupta was director of Medbeam Scan Private Limited which was struck off by RoC, Kanpur during June 2017 pursuant to section 248 of the Companies Act 2013. Pursuant to this notice of Strike off the abovementioned company stands dissolved.

#### **Material Guarantees**

Except as stated in the chapter titled "Financial Information of our Company" beginning on page 113 of this Draft Prospectus, our Promoter has not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Draft Prospectus.

#### **Changes in Control of our Company**

There has not been any change in the management or control of our Company during last five years preceding the date of this Draft Prospectus.



## OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 is as under:

### Individuals who are immediate relatives of our Promoters:

Relationship with Promoters	Mr. Arun Kumar Gupta
Father	Mr. Gian Chand Gupta
Mother	Mrs. Santosh Rani
Spouse	Mrs. Avani Gupta
Brother	Mukesh Kumar Gupta, Vipin Gupta, Anuj Kumar Gupta
Sister	Mrs. Renu Jain
Son	Mr. Devang Agarwal
Daughter	Ms. Rashika Agarwal
Spouse's Father	Late Rameshwar Dayal Shastri
Spouse's Mother	Late Urmila Gupta
Spouse's Brother	Vibhore Gupta, Rajiv Gupta, Sanjiv Gupta, Prateek Gupta
Spouse's Sister	Mrs. Shalini Gupta

### Entities and Body Corporate forming part of our Promoter Group

NA

### Other Natural Persons forming part of our Promoter Group:

Ms. Akanksha Gupta

### Confirmations:

- Our Company, Promoter and Promoter Group members are not debarred from accessing or operating the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.
- Our Promoter and members of the Promoter Group are not and have never been promoter, directors or person in control of any other company which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
- Neither our Company nor our Promoter is willful defaulters and there are no violations of securities laws committed by our Promoter in past or pending against him.
- None of our Promoters are Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.
- Our Promoter, promoters' group or directors do not have direct or indirect relation with the companies, its promoters and whole time director, which are compulsorily delisted by any recognized stock exchange or the companies which is debarred from accessing the capital market by the Board.

Except as disclosed in "Related Party Transactions on page 132 of this Draft Prospectus, our Promoter is not related to any of the sundry debtors or are not beneficiaries of Loans and Advances given by/tour Company.

Except as disclosed in this Draft Prospectus, our Promoter is not interested in any entity which holds any intellectual property rights that are used by our Company.

### **DIVIDEND POLICY**

Under the Companies Act, 2013 an Indian company can pay dividend upon a recommendation by its Board of Directors and approval by a majority of the shareholders at the Annual General Meeting. The Shareholders have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. Under the Companies Act, 2013, the dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both. Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

*Our Company has not declared or paid any dividend since its incorporation till the date of filing of this Draft Prospectus. Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the record date are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.*

**SECTION VI – FINANCIAL INFORMATION OF THE COMPANY**

**Independent Auditors' Report on Restated Financial Information of "Gian Life Care Limited"**

To,  
The Board of Directors,  
Gian Life Care Limited  
7/216 (6) Swaroop Nagar Kanpur  
Uttar Pradesh - 208002 IN

We have examined Financial Statements and Other Financial Information of Gian Life Care Limited ('the Company') taking into consideration the terms of reference and terms of our engagement agreed upon with you in connection with the proposed IPO of Equity Shares of the Company and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India.

The said Restated Financial Statements and other Financial Information have been prepared for the purposes of inclusion in the Draft Prospectus / Prospectus (collectively hereinafter referred to as "Offer Document") in connection with the proposed Initial Public Offer ("IPO") of the Company in accordance with the requirements of:

1. Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 as amended and;
2. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the 'SEBI Regulations') and the related clarifications issued by the Securities and Exchange Board of India ('SEBI'); as amended to date;
3. In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2018 and other provisions relating to accounts of Gian Life Care Limited, we, P.D. Dalal & Co., Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.

We have examined the accompanied 'Restated Statement of Profit and Loss' (Annexure – II) for the period ended 31st March, 2019, 30th April, 2019 and the 'Restated Statement of Assets and Liabilities' (Annexure – I) as on those date, forming Part of the 'Financial Information' dealt with by this Report, detailed below. Both read together with the Significant Accounting Policies (Annexure – IV) thereon, which are the responsibility of the Company's management. The information have been extracted from the financial statements for the period ended on 31st March, 2019, 30th April, 2019 audited by us, being the Statutory Auditors of the Company for the respective periods and approved by the Board of Directors.

Based on our examination, we further report that:

- a) The Restated Statement of Assets and Liabilities of the Company as 31st March, 2019 and 30th April, 2019, examined by us, as set out in Annexure I to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in Annexure IV.
- b) The Restated Statement of Profit and Loss of the Company for the period ended 31st March, 2019 and 30th April, 2019 examined by us, as set out in Annexure II to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in Annexure IV.
- c) The Restated Statement of Cash Flows of the Company for the period ended 31st March, 2019 and 30th April, 2019 examined by us, as set out in Annexure III to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in Annexure IV.
- d) The Restated Financial Statements have been made after incorporating adjustments for :

- i. The changes, if any, in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting period /years.
  - ii. Prior period and other material amounts in the respective financial years to which they relate.
- e) Such Financial statements do not require any corrective adjustments on account of :
- i. Other remarks/comments in the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub - section (4A) of section 227 of the act, on financial statements of the company as at and for the period ended March 31, 2019.
  - ii. Extra-ordinary items that need to be disclosed separately in the accounts requiring adjustments.
- f) The company is in non-compliance of Accounting Standard – 15 – Employee Benefits (revised) to the extent of non-provision of leave encashment and gratuity without ascertaining actuarial valuation. The effect of the non-compliance is not quantifiable hence It is not possible for us to quantify the financial effects for the same.
- g) There is Auditor's Qualification for non-compliance of Accounting Standard – 15 – Employee Benefits (revised) to the extent of non-provision of leave encashment and gratuity without ascertaining actuarial valuation. The effect of the non-compliance is not quantifiable hence It is not possible for us to quantify the financial effects for the same. Subject to the above no adjustments are required in restated financials on this account.

We have also examined the following Financial Information relating to the Company, which is based on the Restated Financial Statements and approved by the Board of Directors of the Company and annexed to this report, is proposed to be included in the Offer Document: We have also examined the following financial information ("Other Financial Information") proposed to be included in the offer document prepared by the management and approved by the board of directors of the company and annexed to this report:

- Statement of Share Capital, as restated (Annexure - VI)
- Statement of Reserves & Surplus, as restated (Annexure - VII)
- Statement of Long Term Borrowings, as restated (Annexure- VIII)
- Statement of Deferred Tax Liability (Net), as restated (Annexure- IX)
- Statement of Trade Payable, as restated (Annexure- X)
- Statement of Other Current Liabilities, as restated (Annexure- XI)
- Statement of Short Term Provision, as restated (Annexure- XII)
- Statement of Fixed Assets, as restated (Annexure- XIII)
- Statement of Long Term Loans and Advances, as restated (Annexure – XIV)
- Statement of Inventories, as restated (Annexure – XV)
- Statement of Trade Receivables, as restated (Annexure - XVI)
- Statement of Cash and Cash Equivalents, as restated (Annexure - XVII)
- Statement of Short Term Loans and Advances, as restated (Annexure – XVIII)
- Statement of Other Current Assets, as restated (Annexure - XIX)
- Statement of Revenue from Operations, as restated (Annexure – XX)
- Statement of Other Income, as restated (Annexure – XXI)
- Statement of Cost of Material Consumed, as restated (Annexure – XXII)
- Statement of Employee Benefit Expenses, as restated (Annexure – XXIII)
- Statement of Finance Cost, as restated (Annexure – XXIV)
- Statement of Depreciation and Amortization Expense, as restated (Annexure – XXV)
- Statement of Other Expense, as restated (Annexure – XXVI)
- Statement of Capitalization, as restated (Annexure – XXVII)
- Statement of Accounting Ratios, as restated (Annexure – XXVIII)
- Statement of Related Party Transactions, as restated (Annexure – XXIX)
- Statement of Dividend Declared, As Restated (Annexure XXX)
- Statement of Contingent Liabilities, As Restated (Annexure XXXI)
- Statement of Tax Shelter, as restated (Annexure XXXII)

In our opinion, the Restated Financial Statements and the other Financial Information set forth in Annexure I to XXXII read with the significant accounting policies and notes to the restated financial statements have been prepared in accordance with section 26 of Companies Act, 2013 and the SEBI Regulations and the Guidance Note on the reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI).

Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As a result of these regrouping and adjustments, the amount reported in the financial information may not necessarily be the same as those appearing in the respective audited financial statements for the relevant years.

This report should not in any way construed as a reissuance or redrafting of any of the previous audit report issued by us nor should this report be construed as new opinion on any of the financial statement referred to therein.

We have no responsibility to update our report for events and circumstances occurring after the date of the report.

This report is intended solely for your information and for inclusion in the Offer document in connection with the Company's proposed IPO of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For P. D. Dalal & Co.  
Chartered Accountants  
Firm Registration No. 102047W

Aashish S. Kakaria  
Partner  
Membership No: 102915  
Place: Mumbai  
Date: June 27, 2019

**ANNEXURE I**  
**STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED**

Particulars	As at April 30, 2019 Rs. lacs	As at March 31, 2019 Rs. lacs
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders' Funds</b>		
Share capital	328.47	1.00
Reserves and surplus	20.28	10.04
	<b>348.75</b>	<b>11.04</b>
<b>Non-Current Liabilities</b>		
Long-term borrowings	95.65	97.86
Deferred tax Liability (Net)	0.64	0.33
	<b>96.29</b>	<b>98.19</b>
<b>Current Liabilities</b>		
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	101.28	101.12
Other current liabilities	239.52	568.07
Short-term provisions	6.04	3.19
	<b>346.84</b>	<b>672.38</b>
<b>TOTAL</b>	<b>791.87</b>	<b>781.62</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Fixed assets		
Tangible assets	285.90	287.39
Intangible assets	3.36	3.42
Long-term loans and advances	159.57	149.40
	<b>448.83</b>	<b>440.20</b>
<b>Current assets</b>		
Inventories	88.57	83.93
Trade receivables	137.21	132.33
Cash and bank balances	102.77	110.18
Short-term loans and advances	7.72	8.20
Other current assets	6.78	6.78
	<b>343.05</b>	<b>341.41</b>
<b>TOTAL</b>	<b>791.87</b>	<b>781.62</b>

**ANNEXURE II**  
**STATEMENT OF PROFIT AND LOSS ACCOUNT, AS RESTATED**

Particulars	Period ended April 30, 2019 Rs. lacs	Period ended March 31, 2019 Rs. Lacs
<b>INCOME</b>		
Revenue from operations	55.32	55.83
Other income	0.60	0.49
<b>Total Revenue</b>	<b>55.92</b>	<b>56.32</b>
<b>EXPENSES</b>		
Cost of materials consumed	7.49	6.62
Employee benefits expense	16.32	11.26
Finance costs	2.83	4.37
Depreciation and amortization expense	2.03	2.09
Other expenses	14.98	18.39
<b>Total Expenses</b>	<b>43.65</b>	<b>42.74</b>
<b>Profit before tax</b>	<b>12.27</b>	<b>13.58</b>
<b>Tax expense:</b>		
Current tax		
Current tax	2.88	3.20
Deferred tax	0.31	0.33
<b>Profit after tax</b>	<b>9.08</b>	<b>10.04</b>
<b>Earning per equity share</b>		
Basic	0.28	0.31
Diluted	0.28	0.31

*Our Company was incorporated as a public limited company under the Companies Act, 2013 on November 06, 2018 and pursuant to incorporation have taken over the business of Gian Pathology and X Rays on March 01, 2019. The major business transactions (revenue activities) have taken place post the acquisition of the business by our Company i.e. after March 01, 2019.*

**ANNEXURE III  
CASH FLOW STATEMENT, AS RESTATED**

Particulars	Period ended April 30, 2019 Rs. lacs	Period ended March 31, 2019 Rs. lacs
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net profit before taxation</b>	<b>12.27</b>	<b>13.58</b>
Adjustments for:		
Depreciation/ amortization	2.03	2.09
Interest income	(0.60)	(0.49)
Interest expense	2.77	2.82
<b>Operating profit before working capital adjustment</b>	<b>16.48</b>	<b>18.00</b>
<b>Changes in working capital:</b>		
Inventories	(4.64)	(83.93)
Trade receivables	(4.88)	(132.33)
Loans and advances and other assets	(9.69)	(164.38)
Trade payables	0.16	101.12
Other liabilities and provisions	0.03	560.54
<b>Cash flow generated from operations</b>	<b>(2.53)</b>	<b>299.02</b>
<b>Net cash flow from operating activities</b>	<b>(2.53)</b>	<b>299.02</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets (including intangible assets)	(0.48)	(292.90)
Interest received	0.60	0.49
<b>Net Cash Flow from Investing Activities</b>	<b>0.12</b>	<b>(292.41)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowing	(2.21)	97.86
Interest paid	(2.77)	(2.82)
Proceeds from issue of shares / share warrants	-	1.00
<b>Net Cash Flow From Financing Activities</b>	<b>(4.99)</b>	<b>96.04</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(7.40)</b>	<b>102.66</b>
Cash & Cash Equivalent at the beginning of the year	102.66	-
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>95.26</b>	<b>102.66</b>
<b>Fixed deposits with banks</b>	<b>7.52</b>	<b>7.52</b>
<b>Cash and Bank Balances at the end of the year</b>	<b>102.77</b>	<b>110.18</b>

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a noncash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

The accompanying summary of significant accounting policies, restated notes to accounts and notes on adjustments for restated summary financial information (Annexure IV) are an integral part of this statement.



## ANNEXURE IV

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

#### 1. Corporate Information

Gian Life Care Limited was incorporated on 6th November 2018 and commenced Pathology advisory and consultation service from March 2019. The Company runs laboratories for carrying out pathological investigations.

#### 2. Significant Accounting Policies

##### a. Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The Financial Statement relate to the period since incorporation to March 31, 2018 and April 01, 2019 to April 30, 2019 and has been prepared solely for the purpose of disclosure in Draft Prospectus, Self-Prospectus and Prospectus in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time and in accordance with the Guidance Note on Reports or Certificates for Special Purpose (Revised 2019) issued by the Institute of Chartered Accountants of India.

##### b. Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

##### c. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialize.

#### 3. Cash and cash equivalents (for purposes of cash flow statement)

Cash comprises cash on hand and demand deposit with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into loan amounts of cash and which are subject to insignificant risk of changes in values.

#### 4. Property, Plant & Equipment and intangible assets

Fixed assets are stated at cost less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs which meet capitalization criteria, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

### **Software**

"Cost of software is amortized over a period of 6 years, being the estimated useful life as per the management estimates."

## **5. Component Accounting**

Due to application of Schedule II to the Companies Act, 2013, the company identifies and determines cost of each component/ part of the asset separately, if the component/ part have a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. These components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

## **6. Depreciation and Amortization**

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives as per Schedule II to the Companies Act 2013.

## **7. Impairment**

The carrying amounts of Tangible Fixed Assets are reviewed at each balance sheet date to determine, if there is any indication of impairment based on external/internal factors. An impairment loss is recognized wherever the carrying amount of Tangible Fixed Assets exceeds its recoverable amount which represents greater of the "net selling price" and "value in use" of the respective assets. The impairment loss recognized in prior accounting period is reversed if there has been an improvement in recoverable amount.

## **8. Lease**

Lease payments under an operating lease are recognized as expense in the Statement of Profit and Loss as per terms of lease agreement.

## **9. Revenue Recognition**

"Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:"

- **Income from Pathology Testing Fees:**

Income from Pathology Testing Fees is recognized as and when the services are rendered in accordance with terms and conditions

- **Interest**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the statement of profit and loss.

#### **10. Inventories**

Inventory of Pathology consumables are valued at lower of cost and net realizable value. Cost is determined on FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

#### **11. Taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961.

Deferred Income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

#### **12. Earnings per share**

Basic Earnings Per Share (EPS) is computed by dividing the net profit or loss for the year attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the result are anti-dilutive.

#### **13. Retirement and other employee benefits:**

- **Contributions to provident fund**

The Company makes contributions to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952. Provident Fund is a defined contribution scheme for certain employees, the contributions for these employees are charged to the statement of profit and loss of the year when an employee renders the related service.

- **Defined Benefits Plans:**

"The company also provides employee benefit in the form of gratuity, the liability of which is accounted on cash basis. Such defined benefits are charged off to the Profit and Loss Account in the year of actual payment."

- **Other Long Term Benefits:**

Leave Encashment is payable to eligible employees who have earned leaves, during the employment and/or on separation as company's policy on cash basis.

The company is in non-compliance of Accounting Standard – 15 – Employee Benefits (revised) to the extent of non-provision of leave encashment and provision for gratuity without ascertaining actuarial valuation.

#### **14. Provision, Contingent Liabilities and Contingent Assets**

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are neither recognized nor disclosed in the financial statements.

## ANNEXURE V

### NOTES TO ACCOUNTS

#### 1. Managerial Remuneration

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
Salary	5.00	-

#### 2. Deferred Tax

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
<b>Deferred tax (liabilities)/assets arising on account of timing difference in:</b>		
Opening Balance	(0.33)	-
Depreciation	(0.31)	(0.33)
<b>Closing Balance</b>	<b>(0.64)</b>	<b>(0.33)</b>

3. The Company's significant leasing arrangements are in respect of commercial premises taken on lease. The arrangements are for generally for 11 months usually renewable by mutual consent or mutually agreeable terms. Under these arrangements, generally refundable interest free deposits have been given. In respect of above arrangements, lease rentals payable are recognized in the Statement of Profit and Loss for the year and included under Rent (disclosed under Other Expenses).
4. The company has not received any intimation from supplier regarding their status under micro, small and medium enterprises development Act, 2006 and hence disclosure, if any, in relation to amount unpaid as at the period end together with interest payable as required under the said Act have not furnished
5. The Management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required.
6. Previous period's figures have been regrouped and reclassified whenever necessary to confirm to the current period classification.

#### 7. MATERIAL ADJUSTMENTS AS PER SEBI ICDR REGULATION 2018

Statement of Profit and Loss after Tax

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
Net Profit after tax as per audited accounts but before adjustments for restatement	9.08	10.04
Net Profit after Tax as per Restatement of accounts	9.08	10.04
<b>Difference/Adjustment</b>	-	-

Equity Share Capital

Particulars	For Period Ended (Rs. Lacs)
-------------	-----------------------------

	April 30, 2019	March 31, 2019
Paid up Equity Share Capital (Audited)	328.47	1.00
Difference/Adjustments	-	-
Paid up Equity Share Capital (Restated Accounts)	328.47	1.00

## Statement of Surplus in Profit and Loss and Securities Premium

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
Surplus in Profit and Loss account (audited)	19.13	10.04
Surplus in Profit and Loss account (Restatement of accounts)	19.13	10.04
Difference/Adjustment	-	-
Securities Premium (audited)	1.15	-
Securities Premium (Restatement of accounts)	1.15	-
Difference/Adjustment	-	-

**ANNEXURE VI**  
**STATEMENT OF SHARE CAPITAL, AS RESTATED**

Particulars	For Period Ended ( Rs. Lacs)	
	April 30, 2019	March 31, 2019
<b>Authorized Share Capital:</b>		
50,00,000 Equity Shares of Rs. 10/- each	500.00	10.00
<b>Total</b>		
<b>Issued Subscribed and Paid Up Capital :</b>		
32,84,694 Equity Shares of Rs 10/- each (Fully Paid Up Shares)	328.47	
10000 Equity Shares of Rs 10/- each (Fully Paid Up Shares)	-	1.00
<b>Total</b>	328.47	1.00

The company has issued 6,506 fully paid up shares of face value Rs.10 each at Rs 5,051 per share during the period ended 30th April 2019, pursuant discharge of purchase consideration on Acquisition of Gian Pathology & X - Ray (Proprietor Mr. Arun Kumar Gupta) as per one of the main objects of the company on 5th April 2019.

The company has allotted 32,68,188 fully paid up shares of face value Rs.10 each during the period ended 30th April 2019, pursuant to bonus issue approved by the shareholders at the EGM conducted on April 12, 2019.

Reconciliation of number of shares outstanding:

Particulars	For Period Ended	
	April 30, 2019	March 31, 2019
<b>Equity Shares</b>		
At the beginning of the period	0.10	-
Add:- Addition during the period	32.75	0.10
Less: Shares bought back during the period	-	-
<b>Outstanding at the end of the period</b>	<b>32.85</b>	<b>0.10</b>

**Details of shareholders holding more than 5% shares of the Company**

Name of Shareholder	April 30, 2019		March 31, 2019	
	No. of Shares	%	No. of Shares	%
Mr. Arun Kumar Gupta	31,44,797	95.74	9,297	98.97

**ANNEXURE VII  
STATEMENT OF RESERVES AND SURPLUS**

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
<b>A. Securities Premium</b>		
Opening Balance	-	-
Add: Addition during the period	327.97	-
Less: Utilized during the year	326.82	-
<b>Closing Balance</b>	<b>1.15</b>	-
<b>B. Surplus</b>		
Opening Balance	10.04	-
Add / (Less): Addition during the period	9.08	10.04
Less: Amount Utilized for Issue of Bonus Shares during the period	-	-
<b>Closing Balance</b>	<b>19.13</b>	<b>10.04</b>
<b>Total</b>	<b>20.28</b>	<b>10.04</b>

**ANNEXURE VIII  
STATEMENT OF LONG TERM BORROWINGS, AS RESTATED**

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
<b>Secured</b>		
Term loans from Bank		
Term loans from Allahabad Bank	38.65	38.79
Term loans from Canara Bank	21.02	20.82
Term loans from Corporation Bank	16.36	16.20
Term loans from Punjab National Bank	9.87	9.77
Term loans from others		
Term loans from Siemens	27.41	28.84
<b>Unsecured</b>		
Loan from Related Parties	21.00	21.00
<b>Total</b>	<b>134.31</b>	<b>135.42</b>
Less: Amount disclosed under 'other current liabilities' (Annexure XI)	(38.66)	(37.56)
<b>Net Total</b>	<b>95.65</b>	<b>97.86</b>

- Term loans from Allahabad Bank has been taken for purchase of residential Flat No. G-3 at ground floor built over Plot No 449, Block W-1, Saket Nagar Kanpur, and is secured by equitable mortgage of that flat. The rate of interest is MCLR, payable monthly. The current effective average rate of interest is 8.45% p.a. The loans are repayable in 168 structured monthly installments. As at 30th April 2019, the balance of loan Rs. 38.65/- lakhs is outstanding.
- Term loans from Canara Bank has been taken for purchase of Pathological machinery and is secured by exclusive charge by way of hypothecation of that pathological machinery. The rate of interest ranges from 10.75% to 11.20% per annum, payable monthly. The loans repayment ranges from 60 to 84 structured monthly installments. As at 30th April 2019, the balance of loan Rs. 21.02/- lakhs is outstanding.
- Term loans from Corporation Bank have been taken for purchase of Pathological machinery, and are secured by exclusive charge by way of hypothecation of that pathological machinery. The rate of interest is MCLR plus applicable margin 1.80%, as may be agreed from time to time. The current effective average rate of interest is 11.35% p.a. The loans are repayable in 84 structured monthly installments. As at 30th April 2019, the balance of loan Rs. 2.76/- lakhs is outstanding.
- Term loans from Corporation Bank has been taken for purchase of Pathological Machinery, Air Conditioner and is secured by exclusive charge by way of hypothecation of that pathological machinery, air conditioner and personal guarantee of Mr. Arun Kumar Gupta (MD). The rate of interest is Base rate plus margin 1.70%, as may be agreed from time to time. The current effective average rate of interest ranges from 11.60% to 11.95% p.a. The loans are repayable in 84 structured monthly installments. As at 30th April 2019, the balance of loan Rs. 13.60/- lakhs is outstanding.

- Term loan from Punjab National Bank has been taken for purchase of machinery of pathological use and is secured by exclusive charge by way of hypothecation of the same machinery. It carries floating rate of interest, payable monthly. The current effective rate of interest is 12% p.a. The loans are repayable in 60 structured monthly installments. As at 30th April 2019, the balance of loan Rs. 9.87/- lakhs is outstanding.
- Term loans from Siemens Financial Services Private Limited has been taken for purchase of Pathological machinery and is secured by exclusive charge by way of hypothecation of that pathological machinery, and personal guarantee of Ms. Avani Gupta (CFO). The rate of interest ranges from 13.55% to 14% per annum, payable monthly. The loans are repayable in 60 structured monthly installments. As at 30th April 2019, the balance of loan Rs. 27.41/- lakhs is outstanding.
- Unsecured loan from related party is an interest free loan repayable on demand.
- The Company has over due in repayment of principal dues of loans as well as interest payable to banks and financial institutions except for making on account payments for loan from Allahabad Bank. However, interest has been provided in books of accounts on the principal outstanding at original contracted rates.
- The overdue in repayment of loans to banks and financial institutions included in borrowings and current maturities of term loans are as under:-

Sr. No.	Bank Name	For Period Ended (Rs. Lacs)	
		April 30, 2019	March 31, 2019
1	Canara Bank	0.91	0.73
2	Canara Bank	1.54	1.70
3	Corporation Bank	0.32	0.24
4	Corporation Bank	1.05	0.79
5	Corporation Bank	0.64	0.48
6	Punjab National Bank	0.89	0.67
7	Siemens Financial Services	3.49	2.33
8	Siemens Financial Service	0.55	0.55
	<b>Total</b>	<b>9.40</b>	<b>7.49</b>

## e) Maturity Profile:

Particulars	Maturity Profile		
	1-2 Years	2-3 Years	Above 3 years
Term loans from others	8.85	-	-
Term loans from banks	12.74	13.21	39.85
<b>Total</b>	<b>21.59</b>	<b>13.21</b>	<b>39.85</b>

## STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY:

Name of Lender	Purpose / Nature of Limit	Sanctioned Amount	Rate of interest	Primary Security	Collateral / Other Security	Out-standing amount as on 30.04.2019
Allahabad Bank	Housing Loan	39.2	8.45%	Equitable Mortgage of Residential Flat No. G-3, Plot No 449, Kanpur.	-	38.65
Canara Bank	Term Loan	10.5	11.15%	Machinery	-	5.98
Canara Bank	Term Loan	20.00	11.20%	Machinery	-	15.04
Corporation Bank	Demand Loan	8.9	11.95%	Multi - Split Daikin Air Conditioner	-	2.76
Corporation Bank	Term Loan	15	11.60%	Machinery	-	9.89
Corporation Bank	Term Loan	4.68	11.35%	Machinery	-	3.71

Punjab National Bank	Term Loan	10	12%	Machinery	-	9.87
Siemens Financial Services Pvt. Ltd.	Loan Against Hypothecation	23.57	14%	Machinery	-	3.2
Siemens Financial Services Pvt. Ltd.	Loan Against Hypothecation	50.52	13.55%	Machinery	-	24.21
<b>Total</b>		<b>182.37</b>				<b>113.31</b>

**STATEMENT OF PRINCIPAL TERMS OF UNSECURED LOANS AND ASSETS CHARGED AS SECURITY:****Loan from Related Party**

Name of Lender	Purpose / Nature of Limit	Sanctioned Amount	Rate of interest	Primary Security	Collateral/ Other Security	Out-standing amount as on 30.04.2019
Ms. Avani Gupta		21.00	-	-	-	21.00

**ANNEXURE IX****STATEMENT OF STATEMENT OF DEFERRED TAX LIABILITY (NET), AS RESTATED**

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
<b>Deferred tax liability arising on account of timing difference in:</b>		
Depreciation	0.64	0.33
<b>Total</b>	<b>0.64</b>	<b>0.33</b>

**ANNEXURE X****STATEMENT OF TRADE PAYABLE, AS RESTATED**

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
<b>Trade payables</b>		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	101.28	101.12
<b>Total</b>	<b>101.28</b>	<b>101.12</b>

**ANNEXURE XI****STATEMENT OF OTHER CURRENT LIABILITIES, AS RESTATED**

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
Current maturities of long-term borrowings	38.66	37.56
Bank overdraft	172.52	182.36
Statutory liabilities	6.41	3.09
Other payables#	21.92	345.05
<b>Total</b>	<b>239.52</b>	<b>568.07</b>

# Other payables include expenses payable, creditors for fixed assets and advances received from customers.

# Other payable as on 31.03.2019 includes Rs 328.66 lacs payable on acquisition of net assets of Gian Pathology & X-ray (Proprietorship) of Mr. Arun Gupta (Director) which will be settled by issue of 6506 equity shares on April 05, 2019 by the company.

**ANNEXURE XII****STATEMENT OF SHORT-TERM PROVISION, AS RESTATED**

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
Provision for taxation (Net of tax payments)	6.04	3.19
<b>Total</b>	<b>6.04</b>	<b>3.19</b>



**ANNEXURE XIII**  
**STATEMENT OF FIXED ASSETS, AS RESTATED**

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
<b>General Laboratory Equipment</b>		
Opening Balance	214.31	-
Addition during the year	-	214.31
Addition during the year due to revaluation	-	-
Reduction during the year	-	-
Accumulated Depreciation	3.40	1.73
<b>Closing Balance</b>	<b>210.92</b>	<b>212.58</b>
<b>Vehicles</b>		
Opening Balance	5.32	-
Addition during the year	-	5.32
Addition during the year due to revaluation	-	-
Reduction during the year	-	-
Accumulated Depreciation	0.11	0.05
<b>Closing Balance</b>	<b>5.21</b>	<b>5.26</b>
<b>Air Conditioners</b>		
Opening Balance	6.20	-
Addition during the year	-	6.20
Addition during the year due to revaluation	-	-
Reduction during the year	-	-
Accumulated Depreciation	0.10	0.05
<b>Closing Balance</b>	<b>6.10</b>	<b>6.15</b>
<b>Computer Hardware</b>		
Opening Balance	1.66	-
Addition during the year	-	1.66
Addition during the year due to revaluation	-	-
Reduction during the year	-	-
Accumulated Depreciation	0.09	0.04
<b>Closing Balance</b>	<b>1.57</b>	<b>1.62</b>
<b>Electric Installations</b>		
Opening Balance	3.07	-
Addition during the year	-	3.07
Addition during the year due to revaluation	-	-
Reduction during the year	-	-
Accumulated Depreciation	0.05	0.02
<b>Closing Balance</b>	<b>3.03</b>	<b>3.05</b>
<b>Furniture &amp; Fixtures</b>		
Opening Balance	1.75	-
Addition during the year	-	1.75
Addition during the year due to revaluation	-	-
Reduction during the year	-	-
Accumulated Depreciation	0.03	0.01
<b>Closing Balance</b>	<b>1.72</b>	<b>1.74</b>
<b>Office Equipment</b>		

Opening Balance	2.41	-
Addition during the year	0.31	2.41
Addition during the year due to revaluation	-	-
Reduction during the year	-	-
Accumulated Depreciation	0.07	0.03
<b>Closing Balance</b>	<b>2.64</b>	<b>2.37</b>
<b>Plant &amp; Equipment</b>		
Opening Balance	2.67	-
Addition during the year	0.17	2.67
Addition during the year due to revaluation	-	-
Reduction during the year	-	-
Accumulated Depreciation	0.03	0.01
<b>Closing Balance</b>	<b>2.81</b>	<b>2.66</b>
<b>Flat</b>		
Opening Balance	52.02	-
Addition during the year	-	52.02
Addition during the year due to revaluation	-	-
Reduction during the year	-	-
Accumulated Depreciation	0.14	0.07
<b>Closing Balance</b>	<b>51.89</b>	<b>51.95</b>
<b>Total Tangible Asset</b>	<b>289.90</b>	<b>289.42</b>
<b>Total Depreciation Charged during the period</b>	<b>1.97</b>	<b>2.04</b>
<b>Total Opening Accumulated Depreciation on Tangible Asset</b>	<b>2.04</b>	<b>-</b>
<b>WDV of Tangible Assets</b>	<b>285.90</b>	<b>287.39</b>
<b>Software</b>		
Opening Balance	3.48	-
Addition during the year	-	3.48
Addition during the year due to revaluation	-	-
Reduction during the year	-	-
Accumulated Amortization	0.12	0.06
<b>Closing Balance</b>	<b>3.36</b>	<b>3.42</b>
<b>Total Intangible Asset</b>	<b>3.48</b>	<b>3.48</b>
<b>Total Amortization during the period</b>	<b>0.12</b>	<b>0.06</b>
<b>Total Opening Accumulated Amortization of Intangible Asset</b>	<b>-</b>	<b>-</b>
<b>WDV of Intangible Assets</b>	<b>3.36</b>	<b>3.42</b>
<b>Total Fixed Asset</b>	<b>293.38</b>	<b>292.90</b>
<b>Total Depreciation/Amortization during the period</b>	<b>2.09</b>	<b>2.09</b>
<b>Total Opening Accumulated Depreciation/Amortization on Fixed Asset</b>	<b>2.04</b>	<b>-</b>
<b>WDV of Fixed Assets</b>	<b>289.26</b>	<b>290.80</b>

**ANNEXURE XIV  
STATEMENT OF LONG-TERM LOANS AND ADVANCES, AS RESTATED**

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
<b>Unsecured, considered good</b>		
Capital Advance	20.00	20.00

Security Deposits	7.09	7.48
Other loans and advances	132.48	121.92
<b>Total</b>	<b>159.57</b>	<b>149.40</b>

Note: Out of the above loan and advances, loan amounting to Rs 60.00 lacs is given on which interest (Rs. 4.43 lacs included in above loans and advances) @ 12% is charged by the company. Balance amount of Rs 68.05 lacs is given towards business advance.

**ANNEXURE XV  
STATEMENT OF INVENTORIES (VALUED AT LOWER OF COST AND NET REALISABLE VALUE), AS RESTATED**

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
Stores, consumables and printing material	88.57	83.93
<b>Total</b>	<b>88.57</b>	<b>83.93</b>

**ANNEXURE XVI  
STATEMENT OF TRADE RECEIVABLES, AS RESTATED**

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
<b>Unsecured, considered good</b>		
Outstanding for a period exceeding six months from the date they became due for payment	97.61	97.61
Others	39.60	34.72
<b>Total</b>	<b>137.21</b>	<b>132.33</b>

**ANNEXURE XVII  
STATEMENT OF CASH AND BANK BALANCES, AS RESTATED**

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
Cash and Cash Equivalents		
Balances with banks	0.41	12.88
Cash on hand	94.85	89.78
Other Bank Balances		
Fixed deposits with bank	7.52	7.52
<b>Total</b>	<b>102.77</b>	<b>110.18</b>

**ANNEXURE XVIII  
STATEMENT OF SHORT-TERM LOANS AND ADVANCES, AS RESTATED**

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
<b>Unsecured, considered good</b>		
Loans to employees	1.44	1.44
Prepaid expenses	1.06	0.86
Other loans and advances	5.22	5.90
<b>Total</b>	<b>7.72</b>	<b>8.20</b>

\* Includes primarily advance paid to creditors

**ANNEXURE XIX  
STATEMENT OF OTHER CURRENT ASSETS, AS RESTATED**

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
Preliminary Expenses	6.78	6.78
<b>Total</b>	<b>6.78</b>	<b>6.78</b>

**ANNEXURE XX  
STATEMENT OF REVENUE FROM OPERATIONS, AS RESTATED**

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
Pathological Testing Fees	55.32	55.83
<b>Total</b>	<b>55.32</b>	<b>55.83</b>

**ANNEXURE XXI  
STATEMENT OF OTHER INCOME, AS RESTATED**

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
Interest on others	0.60	0.49
<b>Total</b>	<b>0.60</b>	<b>0.49</b>

**ANNEXURE XXII  
STATEMENT OF COST OF MATERIALS CONSUMED, AS RESTATED**

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
As at beginning of the year	83.93	75.43
Add: Purchases	12.13	15.12
Less : As at end of the year	88.57	83.93
<b>Total</b>	<b>7.49</b>	<b>6.62</b>

**ANNEXURE XXIII  
STATEMENT OF EMPLOYEE BENEFIT EXPENSES, AS RESTATED**

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
Salaries, allowances and bonus	9.48	9.43
Contribution to provident and other funds	1.78	1.77
Directors remuneration	5.00	-
Staff and labour welfare	0.07	0.06
<b>Total</b>	<b>16.32</b>	<b>11.26</b>

**ANNEXURE XXIV  
STATEMENT OF FINANCE COST, AS RESTATED**

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
Interest expense	2.77	2.82
Bank charges	0.05	1.55
<b>Total</b>	<b>2.83</b>	<b>4.37</b>

**ANNEXURE XXV  
STATEMENT OF DEPRECIATION AND AMORTIZATION EXPENSE, AS RESTATED**

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
Depreciation of tangible assets	1.97	2.04
Amortization of intangible assets	0.06	0.06
<b>Total</b>	<b>2.03</b>	<b>2.09</b>

**ANNEXURE XXVI  
STATEMENT OF OTHER EXPENSE, AS RESTATED**

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019

Advertisement Expense	0.19	-
Collection Charges	0.29	0.27
Franchise Commission	4.57	7.17
Electricity charges	1.50	0.91
Discount	0.65	0.49
House Keeping Expenses	0.18	0.19
Insurance	0.14	0.01
Legal and professional fees	4.14	5.11
Rent	2.59	2.59
Repairs & maintenance - other	0.06	0.61
Telephone and internet expenses	0.19	0.17
Travelling & conveyance expenses	0.06	0.07
Miscellaneous expenses	0.43	0.79
<b>Total</b>	<b>14.98</b>	<b>18.39</b>

**ANNEXURE XXVII  
STATEMENT OF CAPITALIZATION, AS RESTATED**

Particulars	For Period Ended (Rs. Lacs)	
	Pre - Issue as at	Post Issue
	April 30, 2019	*
Long Term Debt	95.65	-
Short Term Debt	211.22	-
<b>Total Debts (A)</b>	<b>306.87</b>	<b>-</b>
<b>Equity (Shareholder's funds)</b>	<b>-</b>	<b>-</b>
Equity share capital	328.47	-
Reserves and surplus	20.28	-
<b>Total Equity (B)</b>	<b>348.75</b>	<b>-</b>
Long Term Debt / Equity Shareholder's funds	<b>0.27</b>	-
Short Term Debt / Equity Shareholder's funds	<b>0.61</b>	-
Total Debts / Equity Shareholder's funds (A/B)	<b>0.88</b>	-

\* The Post Issue Capitalization will be determined only after the completion of the allotment of equity shares.

**ANNEXURE XXVIII  
STATEMENT OF ACCOUNTING RATIOS, AS RESTATED**

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
Restated Net Profit as per P&L Account	9.08	10.04
Actual Number of Equity Shares outstanding at the end of the period (Nos.)	32,84,694	10,000
Equivalent Weighted Avg number of Equity Shares at the end of the period	32,84,694	32,79,569
Reserves & Surplus	20.28	10.04
Net Worth	348.75	11.04
Basic & Diluted Earnings Per Share	0.28	0.31
Return on Net worth (%)	2.60%	90.94%
Net Assets Value per Equity Share	10.62	110.44
Nominal Value per Equity share (Rs.)	10.00	10.00

\* Not Annualized

Notes to Accounting Ratios:

1) The Ratios have been computed as follows:

- a) Basic Earnings Per Share (Rs.)  $\frac{\text{Net Profit After Tax as restated}}{\text{Weighted Average Number of Equity Shares outstanding during the period}}$
- b) Return on Net worth (%)  $\frac{\text{Net Profit after Tax as restated}}{\text{Net Worth}} * 100$
- c) Net Asset Value Per Equity Share (Rs.)  $\frac{\text{Net Worth}}{\text{No. of Equity shares outstanding at the end of the period}}$

2) Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of Equity Shares issued during period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period.

3) The Calculation of Earnings Per Share (EPS) as disclosed in the Profit and Loss Account has been made in accordance with Accounting Standard (AS - 20) on Earnings Per Share issued by the Institute of Chartered Accountants of India.

4) As there is no dilutive capital in the company, Basic and Diluted EPS are similar.

5) The above Ratios have been computed on the basis of the Restated Financial Information for the respective period.

The above statements should be read with the Notes to Restated Financial Statements.

#### **ANNEXURE XXIX STATEMENT OF RELATED PARTY TRANSACTIONS, AS RESTATED**

As per Accounting Standard 18 on related party disclosure issue by the Institute of Chartered Accountants of India, the Company's related parties are disclosed below:

#### D. List of Related Parties

- Directors
  - Arun Kumar Gupta
  - Avani Gupta ( till 14.03.2019)
  - Rashika Agarwal
  - Ashutosh Kumar Asthana
  - Manoj Kumar Agarwal
- Key Management Personnel
  - Arun Kumar Gupta
  - Rashika Agarwal
  - Ashutosh Kumar Asthana
  - Manoj Kumar Agarwal
  - Avani Gupta (CFO from 15.03.2019)
  - Astha Chaturvedi
- Relatives of Directors
  - Devang Agarwal
  - Akansha Gupta
- Entities in which Key Managerial Personnel/ their relatives are able to exercise significant influence or control
  - Gian Medical Stores
  - Medbeam Scan Private Limited
  - Gian Path Labs LLP
  - Washingtonne Hygienik Private Limited.
  - Cd & M Remedies Pricate Limited.
  - Santesion Pharma LLP
  - Manoj Kumar Agarwal HUF

o Anup Agarwal HUF

B. Transactions during the period

Particulars	Key Management Personnel/ Relatives		Relatives of Directors		Entities in which Key Managerial Personnel/ their relatives have significant influence or control	
	For Period Ended		For Period Ended		For Period Ended	
	30.04.2019	31.03.2019	30.04.2019	31.03.2019	30.04.2019	31.03.2019
<b>Sale of Service</b>						
Manoj Kumar Agarwal HUF					1.39	0.87
Anup Agarwal HUF					1.39	1.09
<b>Franchise Expenses</b>						
Manoj Kumar Agarwal HUF					0.68	0.40
Anup Agarwal HUF					0.51	0.52
<b>Salary</b>						
Arun Kumar Gupta	5.00					
Astha Chaturvedi	0.10	0.05				
Avani Gupta	0.40	0.20				
<b>Electricity and fuel expense recovered</b>						
Gian Medical Stores					-	0.11
<b>Purchase of Consumables</b>						
Gian Medical Stores					-	0.24
<b>Issue of Shares for Discharge of Purchase Consideration</b>						
Arun Kumar Gupta	328.62					
<b>Allotment of Shares</b>						
Arun Kumar Gupta		0.93				
Rashika Agarwal		0.01				
Avani Gupta		0.05				
Devang Agarwal				0.01		
Akansha Gupta						
<b>Allotment of Bonus Shares</b>						
Arun Kumar Gupta	312.90					
Avani Gupta	9.90					
Rashika Agarwal	1.98					
Devang Agarwal			1.98			
Akansha Gupta			0.02			
<b>Security Deposit (Given)</b>						
Arun Kumar Gupta		4.50				
<b>Rent Paid</b>						
Arun Kumar Gupta	1.50	1.50				
<b>Purchase of Net Assets</b>						
Arun Kumar Gupta		328.66				

C. Closing Balances

Particulars	Key Management Personnel/ Relatives		Relatives of Directors		Entities in which Key Managerial Personnel/ their relatives have significant influence or control	
	For Period Ended		For Period Ended		For Period Ended	
	30.04.2019	31.03.2019	30.04.2019	31.03.2019	30.04.2019	31.03.2019

<b>Salary Payable</b>						
Arun Kumar Gupta	4.48	-				
Astha Chaturvedi	0.10	0.05				
Avani Gupta	0.51	0.15				
<b>Other payables#</b>						
Manoj Kumar Agarwal HUF					0.68	2.96
Anup Agarwal HUF					1.79	0.68
Arun Kumar Gupta	0.04	328.66				
<b>Trade Payable</b>						
Gian Medical Stores					0.12	0.12
<b>Security Deposit (Given)</b>						
Arun Kumar Gupta	4.50	4.50				
<b>Unsecured Loans Payable</b>						
Avani Gupta	21.00	21.00				

# Other payables include expenses payable, creditors for fixed assets, advances received from customers and purchase of net assets on takeover of Gian Pathology & X-Ray.

**ANNEXURE XXX**  
**STATEMENT OF STATEMENT OF DIVIDEND DECLARED, AS RESTATED**

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
<b>On Equity Shares</b>		
Fully Paid up Share Capital (Rs. Lacs)	328.47	1.00
Face Value (Rs.)	10.00	10.00
Paid Up Value Per Share (Rs.)	10.00	10.00
Rate of Dividend	-	-
Total Dividend	-	-
Corporate Dividend tax on above	-	-

**ANNEXURE XXXI**  
**STATEMENT OF CONTINGENT LIABILITIES, AS RESTATED**

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
Contingent Liability	-	-
<b>Total</b>	-	-

**ANNEXURE XXXII**  
**STATEMENT OF TAX SHELTER, AS RESTATED**

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
<b>Tax Rates</b>	<b>26%</b>	<b>26%</b>
<b>Restated Profit before tax as per books (A)</b>	<b>12.27</b>	<b>13.58</b>
<b>Adjustments :</b>		
Permanent Differences (B)	-	-
<b>Total Permanent Differences (B)</b>	<b>-</b>	<b>-</b>
<b>Timing Differences (C)</b>		
Book Depreciation	2.03	2.09
Income Tax Depreciation Allowance	3.22	3.38
<b>Total Timing Differences (C)</b>	<b>(1.20)</b>	<b>(1.28)</b>
<b>Net Adjustments (D) = (B+C)</b>	<b>(1.20)</b>	<b>(1.28)</b>
<b>Restated Profit before tax as per Income Tax (E) = (A+D)</b>	<b>11.08</b>	<b>12.29</b>
Losses of Previous Year	-	-



<b>Gross Total Income</b>	<b>11.08</b>	<b>12.29</b>
<b>Total Deduction under Chapter VI A</b>	-	-
<b>Taxable Income/(Loss)</b>	<b>11.08</b>	<b>12.29</b>
Income Tax on above (F)	2.88	3.20
Tax Payable under section 115JB of Income Tax Act, 1961 (G)	2.36	2.61
<b>Tax Payable (Higher of F &amp; G)</b>	<b>2.88</b>	<b>3.20</b>
Total Tax as per Return*	-	-
Difference	-	-

\*Income tax return for the period ended March 31, 2019 is yet to be filed.

Notes: The aforesaid Statement of tax Shelters has been prepared as per the 'Restated Profit and Loss Account.

**OTHER FINANCIAL INFORMATION**

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below: -

Particulars	For Period Ended (Rs. Lacs)	
	April 30, 2019	March 31, 2019
Restated Net Profit as per P&L Account	9.08	10.04
Net Worth	348.75	11.04
Basic & Diluted Earnings Per Share	0.28	0.31
Return on Net worth (%)	2.60%	90.94%
Net Assets Value per Equity Share	10.62	110.44
Nominal Value per Equity share (Rs.)	10.00	10.00

**STATEMENT OF FINANCIAL INDEBTEDNESS**

Set forth below, is a brief summary of our Company's borrowings as on April 30, 2019 based on Restated Financial Statements of the Company together with a brief description of certain significant terms / material covenants of the relevant financing arrangements:-

**SECURED LOANS: -**

**CONSOLIDATED STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY:**

*(Amt in Rs. lakhs)*

Name of Lender	Purpose / Nature of Limit	Loan/ Agreement A/c No.	Sanctioned Amount	Rate of interest	Primary Security	Collateral/ Other Security	Re-Payment Schedule	Out-standing amount as on 30.04.2019 as per Books
Allahabad Bank	Housing Loan	289659	39.20	8.45%	Equitable Mortgage of Residential Flat No. G-3, Plot No 449, Kanpur.	-	38.23	38.65
Corporation Bank	Demand Loan	130003	8.90	11.95%	Multi - Split Daikin Air Conditioner	-	2.09	2.76
Corporation Bank	Term Loan	150003	15	11.60%	Machinery	-	8.47	9.89
Corporation Bank	Term Loan	160001	4.68	11.35%	Machinery	-	3.27	3.71
Punjab National Bank	Term Loan	074700SN0000016	10	12%	Machinery	-	8.99	9.87
Siemens Financial Services Pvt. Ltd.	Loan Against Hypothecation	8076212	23.58	14%	Machinery	-	2.65	3.20
Siemens Financial Services Pvt. Ltd.	Loan Against Hypothecation	8186086	50.52	13.55%	Machinery	-	20.73	24.22
Canara Bank	Term Loan	2902.768.4	10.50	11.15%	Machinery	-	5.25	5.98
Canara Bank	Term Loan	2902.768.44	20.00	11.20%	Machinery	-	13.00	15.04
<b>Total</b>							<b>102.66</b>	<b>113.31</b>

**UNSECURED LOANS -**

Loan from related party:

*(Amt in Rs. lakhs)*

Name of Lender	Purpose / Nature of Limit	Loan/ Agreement A/c No.	Sanctioned Amount	Rate of interest	Primary Security	Collateral/ Other Security	Re-Payment Schedule	Out-standing amount as on 30.04.2019 as per Books
Ms. Avani Gupta	Repayable on Demand	-	21.00	-	-	-	-	21.00

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS**

**Overview**

Our Company was incorporated on November 06, 2018 in the name and style of Gian Life Care Limited, under the provision of Companies Act, 2013 by Registrar of Companies, Kanpur. On March 01, 2019 the company took over the entire running business of M/s Gian Pathology and X-Rays a proprietorship concern of our promoter Mr. Arun Kumar Gupta with a view to provide diagnostic and related healthcare tests and services. We are primarily engaged in the business of providing diagnostic and related healthcare tests and services in Kanpur and nearby areas. We provide a broad range of diagnostic and related healthcare tests and services such as, patient diagnosis services and prevention and wellness diagnosis services to our patients and healthcare providers. Our customers include individual patients, hospitals, other healthcare providers and corporate customers.

The diagnostic center under the name of "M/s. Gian Pathology and X-Rays" was first established in Kanpur in the year 1995 by Mr. Arun Kumar Gupta (MD Pathology) which has been taken over by our Company. Mr. Arun Kumar Gupta completed his degree in Pathology from G.S.V.M. Medical College in Kanpur. Under his guidance and efforts the laboratory has taken the shape of a big diagnostic center that has its 2 branches across Kanpur and collection center in its adjoining districts. His knowledge and understanding has helped us foster a reputation among medical practitioners, patients and other healthcare providers as a timely, accurate, convenient and cost effective laboratory testing services.

As per restated financial statements for the period ended April 30, 2019 and the period ended on March 31, 2019, the total revenue of our Company stood at Rs.55.32 lakhs and Rs. 55.83 lakh, respectively. Further, our Profit after tax for the period ended April 30, 2019 and the period ended on March 31, 2019 stood at Rs. 10.04 lakh and Rs. 9.08 lakhs respectively.

Past performance and track record of the proprietorship concern taken over by our Company for the F.Y. 2016-17 and 2017-18 were as below:-

(Amt in Rs. Lakhs)

<b>Particular</b>	<b>2016-17</b>	<b>2017-18</b>
Revenue from operation	853.43	814.92
Profit before tax	52.65	112.23

**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:**

**1. Basis of accounting and preparation of financial statements**

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The Financial Statement relate to the period since incorporation to March 31, 2018 and April 01, 2019 to April 30, 2019 and has been prepared solely for the purpose of disclosure in Draft Prospectus, Self-Prospectus and Prospectus in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time and in accordance with the Guidance Note on Reports or Certificates for Special Purpose (Revised 2019) issued by the Institute of Chartered Accountants of India.

**2. Use of estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

### 3. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialize.

### 4. Cash and cash equivalents (for purposes of cash flow statement)

Cash comprises cash on hand and demand deposit with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into loan amounts of cash and which are subject to insignificant risk of changes in values.

### 5. Property, Plant & Equipment and intangible assets

Fixed assets are stated at cost less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs which meet capitalization criteria, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Software

"Cost of software is amortized over a period of 6 years, being the estimated useful life as per the management estimates."

### 6. Component Accounting

Due to application of Schedule II to the Companies Act, 2013, the company identifies and determines cost of each component/ part of the asset separately, if the component/ part have a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. These components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

### 7. Depreciation and Amortization

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives as per Schedule II to the Companies Act 2013.

## 8. Impairment

The carrying amounts of Tangible Fixed Assets are reviewed at each balance sheet date to determine, if there is any indication of impairment based on external/internal factors. An impairment loss is recognized wherever the carrying amount of Tangible Fixed Assets exceeds its recoverable amount which represents greater of the “net selling price” and “value in use” of the respective assets. The impairment loss recognized in prior accounting period is reversed if there has been an improvement in recoverable amount.

## 9. Lease

Lease payments under an operating lease are recognized as expense in the Statement of Profit and Loss as per terms of lease agreement.

## 10. Revenue Recognition

"Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:"

- Income from Pathology Testing Fees:

Income from Pathology Testing Fees is recognized as and when the services are rendered in accordance with terms and conditions

- Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the statement of profit and loss.

## 11. Inventories

Inventory of Pathology consumables are valued at lower of cost and net realizable value. Cost is determined on FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

## 12. Taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961.

Deferred Income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

## 13. Earnings per share

Basic Earnings Per Share (EPS) is computed by dividing the net profit or loss for the year attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the result are anti-dilutive.

## 14. Retirement and other employee benefits:

- Contributions to provident fund

The Company makes contributions to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952. Provident Fund is a defined contribution scheme for certain employees, the contributions for these employees are charged to the statement of profit and loss of the year when an employee renders the related service.

- Defined Benefits Plans:

"The company also provides employee benefit in the form of gratuity, the liability of which is accounted on cash basis. Such defined benefits are charged off to the Profit and Loss Account in the year of actual payment."

- Other Long Term Benefits:

Leave Encashment is payable to eligible employees who have earned leaves, during the employment and/or on separation as company's policy on cash basis.

The company is in non-compliance of Accounting Standard – 15 – Employee Benefits (revised) to the extent of non-provision of leave encashment and provision for gratuity without ascertaining actuarial valuation.

### **15. Provision, Contingent Liabilities and Contingent Assets**

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are neither recognized nor disclosed in the financial statements.

### **CHANGES IN ACCOUNTING POLICIES IN THE PERIOD/YEARS COVERED IN THE RESTATED FINANCIALS**

There is no change in significant accounting policies.

### **Factors Affecting our Results of Operations**

1. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
2. Inability to successfully obtain registrations in a timely manner or at all;
3. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
4. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
5. Recession in the market;
6. Changes in laws and regulations relating to the industries in which we operate;
7. Effect of lack of infrastructure facilities on our business;
8. Occurrence of Environmental Problems & Uninsured Losses;
9. Our ability to successfully implement our growth strategy and expansion plans;
10. Our ability to meet our capital expenditure requirements;
11. Our ability to attract, retain and manage qualified personnel;
12. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;

13. Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
14. Changes in political and social conditions in India, the monetary and interest rate policies of India and inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
15. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
16. Conflicts of interest with affiliated companies, the promoter group and other related parties;
17. The performance of the financial markets in India and globally;
18. Our ability to expand our geographical area of operation;
19. Concentration of ownership among our Promoters.
20. Disruption in the stock market in India or Globally.

### Discussion on Result of Operations

The following discussion on results of operations should be read in conjunction with the restated financial statements for the period ended April 30, 2019 and March 31, 2019.

(in Rs. Lacs)

Particulars	April 30, 2019	% of Total Income	March 30, 2019	% of Total Income
Revenue from Operation	55.32	98.93	55.83	99.13
Other Income	0.60	1.07	0.49	0.87
<b>Total Income</b>	<b>55.92</b>	<b>100.00</b>	<b>56.32</b>	<b>100.00</b>
Cost of materials consumed	7.49	13.39	6.62	11.76
Employee benefits expense	16.32	29.19	11.26	20.00
Finance costs	2.83	5.05	4.37	7.76
Depreciation and amortization expense	2.03	3.63	2.09	3.72
Other expenses	14.98	26.79	18.39	32.66
<b>Total Expenses</b>	<b>43.65</b>	<b>78.05</b>	<b>42.74</b>	<b>75.89</b>
Exceptional/ E-ordinary items	-	-	-	-
<b>Net Profit before tax</b>	<b>12.27</b>	<b>21.95</b>	<b>13.58</b>	<b>24.11</b>
- Current Tax	2.88	5.15	3.20	5.68
- Deferred Tax Liability / (Asset)	0.31	0.56	0.33	0.59
Restated profit after tax from continuing operations	9.08	16.24	10.04	17.83

*Our Company was incorporated as a public limited company under the Companies Act, 2013 on November 06, 2018 and pursuant to incorporation have taken over the business of Gian Pathology and X Rays on March 01, 2019. The major business transactions (revenue activities) have taken place post the acquisition of the business by our Company i.e. after March 01, 2019.*

#### Revenue from operations:

Our principal component of income is from diagnostic and pathology services.

#### Other Income:

Our other income primarily comprises of Interest Income.

#### Employee benefits expense:

Our employee benefits expense primarily comprises of Salary and wages and Staff Welfare Expenses.

#### Finance Costs

Our finance cost includes Interest Expenses and other borrowing costs.



**Depreciation and Amortization Expenses**

Depreciation includes depreciation on tangible assets like plant and machinery, furniture and computer.

**Other Expenses**

Other expenses include Freight and Insurance charges, Conveyance expenses, Office expenses, Sales promotion expenses, travelling expenses etc.

**Financial Performance Highlights for the Period Ended April 30, 2019****Revenue from operations:**

The revenue from operations during the period ended April 30, 2019 was Rs.55.32 Lakhs. The revenue from operations comprised of revenue from diagnostic and pathology services.

**Total Expenses:**

The total expenditure during period ended April 30, 2019 was Rs. 43.65 Lakhs. The total expenditure represents 78.05% of the total revenue. The total expenses are represented by Purchase of Material, employee benefits expense, finance costs, depreciation and amortization expenses and Other Expenses. The main constituent of total expenditure is Employee Benefit Expenses, which is Rs. 16.32 Lakhs.

**Profit/ (Loss) after Tax:**

The restated net profit during the period ended April 30, 2019 was Rs. 9.08 Lakhs representing 16.24% of the total revenue of our company.

**Comparison between period April 30, 2019 and Period March 31, 2019****Total Income**

Total Income for the period April 30, 2019 stood at Rs. 55.92 Lakhs whereas in the period March 31, 2019 the same stood at Rs. 56.32 Lakhs representing a decrease of 0.71%.

**Revenue from Operations**

During the period April 30, 2019 the net revenue from operation of our Company decreased to Rs. 55.32 Lakhs as against Rs. 55.83 Lakhs in the period March 31, 2019 representing a decrease of 0.91%. This decrease was due to decrease in pathology services of the Company.

**Other Income:**

During the period April 30, 2019 the other income of our Company increased to Rs. 0.60 Lakhs as against Rs. 0.49 Lakhs in the period March 31, 2019 representing an increase of 22.45%. Such increase was primarily due to increase in interest income.

**Total Expenses:**

The Total Expenditure for the period April 30, 2019 increased to Rs. 43.65 Lakhs from Rs. 42.74 Lakhs in the period March 31, 2019 representing an increase of 2.13%.

**Employee benefits expense:**

Our Company has incurred Rs. 16.32 Lakhs as Employee benefits expense for the period April 30, 2019 as compared to Rs. 11.26 Lakhs in the period March 31, 2019. The increase of 44.94% was due to increase in employee count.

**Finance costs:**

These costs for the period April 30, 2019 decreased to Rs. 2.83 Lakhs as against Rs. 4.37 Lakhs during the period March 31, 2019. The decrease of 35.24% as compared to previous period was due to reduced time in the current period.

**Depreciation and Amortization Expenses:**

Depreciation for the period April 30, 2019 stood at Rs. 2.03 Lakhs as against Rs. 2.09 Lakhs during the period March 31, 2019.

**Other Expenses:**

Our Company has incurred Rs. 14.98 Lakhs for the period April 30, 2019 on other expenses as against Rs. 18.39 Lakhs during the period March 31, 2019. The decrease of 18.53% was mainly due to reduction in Franchise Commission expenses.

**Restated Profit before tax:**

The Company reported Restated profit before tax for the period April 30, 2019 of Rs. 12.27 Lakhs in comparison to Restated profit of Rs. 13.58 Lakhs in the period March 31, 2019 representing a decrease of 9.59%.

**Restated profit after tax:**

Net Profit after tax for the period April 30, 2019 decreased to Rs. 9.08 lakhs as compared to Rs. 10.04 Lakhs the period March 31, 2019. The decrease in profit after tax by 9.55% was majorly due to factors mentioned above.

**Information required as per Item (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:**

**An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:**

**1. Unusual or infrequent events or transactions**

There has not been any unusual trend on account of our business activity. Except as disclosed in this Draft Prospectus, there are no unusual or infrequent events or transactions in our Company.

**2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

There are no significant economic changes that may materially affect or likely to affect income from continuing operations.

**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section “*Risk Factors*” beginning on page 21 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**

Our Company’s future costs and revenues will be determined by general health condition of the public and the health awareness among the Public.

**5. Total turnover of each major industry segment in which our Company operates**

The Company is in the business of providing diagnostic tests and healthcare industry. Relevant industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page 72 of this Draft Prospectus.

**6. Increases in net sales or revenue and Introduction of new products or services or increased sales prices**

Increases in revenues are by and large linked to increases in volume of our business.

**7. Status of any publicly announced New Products or Business Segment**

Our Company has not announced any new product or service.

**8. Seasonality of business**

Our Company's business is not seasonal in nature.

**9. Dependence on few customers/ clients**

The customer base of the company includes Individual walk-in customers, health care service providers such as private clinics, doctors, hospitals etc. and institutional and corporate customers.

**10. Competitive conditions**

Competitive conditions are as described under the Chapters "**Industry Overview**" and "**Our Business**" beginning on pages 72 and 78 respectively of the Draft Prospectus.

**11. Details of material developments after the date of last balance sheet i.e. April 30, 2019**

There are no circumstances which have arisen since the date of last financial statement until the date of filing the Draft Prospectus, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months. There is no subsequent development after the date of the Auditor's Report, which will have a material impact on the reserves, profits, earnings per share and book value of the Equity Shares of the Company.

**CAPITALIZATION STATEMENT**

Particulars	For Period Ended (Rs. Lacs)	
	Pre - Issue as at	Post Issue
	April 30, 2019	*
Long Term Debt	95.65	-
Short Term Debt	211.22	-
<b>Total Debts (A)</b>	<b>306.87</b>	-
<b>Equity (Shareholder's funds)</b>	-	-
Equity share capital	328.47	-
Reserves and surplus	20.28	-
<b>Total Equity (B)</b>	<b>348.75</b>	-
Long Term Debt / Equity Shareholder's funds	<b>0.27</b>	-
Short Term Debt / Equity Shareholder's funds	<b>0.61</b>	-
<b>Total Debts / Equity Shareholder's funds (A/B)</b>	<b>0.88</b>	-

\* The Post Issue Capitalization will be determined only after the completion of the allotment of equity shares.

Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months and includes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short term Debts as defined above.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30.04.2019.

**SECTION VII - LEGAL AND OTHER INFORMATION****OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

Except as stated in this section, there are no outstanding (I) criminal proceedings, (II) actions taken by regulatory or statutory authorities, (III) disciplinary action including penalty imposed by the SEBI or stock exchanges against our Promoter in the last five financial years, including outstanding action, (IV) claims related to direct and indirect taxes, and (V) other pending litigation which are determined to be material as per the policy adopted by our Board ("Materiality Policy"), in each case involving our Company, Promoters and Directors, (the "Relevant Parties"). For the purpose of (V) above, our Board has considered and adopted a policy of materiality for identification of material litigation in terms of the SEBI (ICDR) Regulations, 2018 as amended for disclosure of all pending litigation involving the Issuer, its directors and promoters, 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 Rs. 1.00 lacs and such pending cases are material from the perspective of the Issuer's business, operations, prospects or reputation. The Company has a policy for identification of Material Outstanding Dues to Creditors in terms of the SEBI (ICDR) Regulations, 2018 as amended for creditors where outstanding due to any one of them exceeds 5% of the total trade payables as per the last audited financial statements of the Issuer.

**PART 1: CONTINGENT LIABILITIES OF OUR COMPANY**

Nil

**PART 2: LITIGATION RELATING TO OUR COMPANY****1. FILED AGAINST THE COMPANY:****A. Litigation Involving Criminal Laws**

NIL

**B. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**C. Litigation Involving Tax Liabilities****(i) Direct Tax**

NIL

**(ii) Indirect Tax**

NIL

**D. Other Pending Litigations:**

NIL

**2. CASES FILED BY OUR COMPANY:****A. Litigation Involving Criminal Laws**

NIL

**B. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**C. Litigation Involving Tax Liabilities**

**(i) Direct Tax**

NIL

**(ii) Indirect Tax**

NIL

**D. Other Pending Litigations:**

NIL

**PART 3: LITIGATION RELATING TO DIRECTORS AND PROMOTER OF OUR COMPANY**

**1. FILED AGAINST THE DIRECTORS AND PROMOTER OF OUR COMPANY**

**A. Litigation Involving Criminal Laws**

**Arun Kumar Gupta**

Our Promoter Mr. Arun Kumar Gupta has issued a cheque amounting to Rs. 35.00 Lacs to Mr. Arun Kumar Pandey (“Complainant”). However, the said cheque got dishonored. Therefore, the Complainant filed a complaint under Negotiable Instruments act, 1881 against our Promoter in the Court of Chief Metropolitan Magistrate (NI Act), Kanpur. Our Promoter Mr. Arun Kumar Gupta has received a summon to appear before the authorities on 22.01.2019 regarding the same. The matter is pending adjudication before the concerned Court.

*Note: The promoter Mr. Arun Kumar Gupta is not in possession of any legal documents related to the abovementioned case except for the summon copy received by him.*

**B. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**C. Litigation Involving Tax Liabilities**

**(i) Direct Tax**

**Arun Kumar Gupta**

• **For Assessment Year 2014-15**

The Income Tax Department had sent the Notice to Mr. Arun Kumar Gupta dated 28<sup>th</sup> March, 2015 under the provisions of Section 143(1a) of the Income Tax, 1961 in relation to the outstanding demand amount of Rs. 15,440/- for the Assessment Year 2014-15 but the same is not yet replied by the assessee and no action has been taken by the department. Hence, further proceedings are awaited.

• **For Assessment Year 2015-16:**

The Income Tax Department had sent the Notice to Mr. Arun Kumar Gupta dated 31<sup>st</sup> December, 2017 under the provisions of Section 154 of the Income Tax, 1961 in relation to the outstanding demand amount of Rs. 10,270/- for the Assessment Year 2015-16 but the same is not yet replied by the assessee and no action has been taken by the department. Hence, further proceedings are awaited.

• **For Assessment Year 2017-18**

The Income Tax Department had sent the Notice under the provisions of Section 143(2) of the Income Tax Act, 1961 in pursuance of which the return of income filed for assessment year 2017-18 vide ack. no. 277485791311017 on 31/10/2017 has been selected for Scrutiny by the department. The Income tax Officer had requested the assessee to produce the evidence in support of the said return of income tax return filed. The last date of appearance before the authority was on 23/08/2018. No further action has been taken by the authority yet and the matter is pending adjudication.

**(ii) Indirect Tax**

NIL

**D. Other Pending Litigations:**

NIL

**2. CASES FILED BY THE DIRECTORS AND PROMOTER OF OUR COMPANY:****A. Litigation Involving Criminal Laws****Arun Kumar Gupta**

Mr. Arun Kumar Gupta on behalf of his proprietorship concern, Gian Pathology and X-ray Centre, Kanpur has filed a Criminal Complaint No. 3753 of 2016 before Additional Civil Judge (Senior Division), Kanpur, on May 10, 2019 against Shivshankar Jaiswal for criminal proceedings under section 182 (False information, with intent to cause public servant to use his lawful power to the injury of another person), section 501 (intentional insult with intention to provoke breach of the peace) and section 506 (punishment for criminal intimidation) alleging that Mr. Shiv Shankar Jaiswal, who is the former employee of Gian Pathology, has been creating nuisance in the organization as he was suspended on 29.02.2016 due to of his indiscipline and breach of privacy. The matter is pending adjudication. The next date of hearing in this matter is on August 5, 2019.

**B. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**C. Litigation Involving Tax Liabilities****(i) Direct Tax**

NIL

**(ii) Indirect Tax**

NIL

**D. Other Pending Litigations:**

NIL

**PART 4: AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS**

The Board of Directors of our Company considers dues exceeding 5% of our Company's total Trade Payables as per Audited financial statements, to small scale undertakings and other creditors as material dues for our Company. As on April 30, 2019, there are 6 creditors to whom our Company owes amounts exceeding 5% of our Company's Trade Payables and the aggregate outstanding dues to it being approximately Rs. 49.29 lakhs. Further, our Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, in relation to amount unpaid as at the year-end together with interest payable as required under the said Act have not been furnished.

Therefore, as on April 30, 2019, our Company owes amounts aggregating to Rs. 101.28 lakhs approximately towards Trade Payables as per Audited Financial Statements, which may or may not include small scale undertakings. There are no disputes with such entities in relation to payments to be made to them. The details pertaining to amounts due towards such creditors are available on the website of our Company

**PART 5: MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE**

There have been no material developments that have occurred after the Last Balance Sheet Date.

### GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities and except as mentioned below, no further approvals are required for carrying on our present or proposed business activities. In view of the approvals listed below, we can undertake this Issue and our current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Prospectus.

The object clauses of the Memorandum of Association of Our Company enable us to carry out its activities. The Company has got following licenses/registrations/approvals/consents/permissions from the Government and various other Government agencies required for its present business.

#### Approvals for the Issue

The following approvals have been obtained or will be obtained in connection with the Issue:

- Our Board, pursuant to its resolution dated April 10, 2019 authorized the Issue subject to approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013 and such other authorities as may be necessary;
- The shareholders of our Company have, pursuant to their resolution passed at the extra ordinary general meeting of our Company held on April 12, 2019 under Section 62(1)(c) of the Companies Act, 2013, authorized the Issue;
- Our Board approved this Draft Prospectus pursuant to its resolution dated July 05, 2019;
- We have received in-principle approval from BSE Limited for the listing of our Equity Shares on BSE SME Platform pursuant to letter dated [●]
- NSDL/CDSL: ISIN No.: INE063601012

#### Incorporation related Approvals

S. No.	Nature of Registration/ License	Registration/Lic ense No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Certificate of Incorporation as 'GIAN LIFE CARE LIMITED'	U85100UP2018PL C110119	Companies Act, 2013 (18 of 2013)	Registrar of Companies, Kanpur	November 6 <sup>th</sup> , 2018	Valid till cancelled

#### Approvals obtained in relation to Taxation

S. No.	Nature of Registration/ License	Registration/Lic ense No.	Applicable Laws	Issuing Authority	Date of issue / Renew	Date of Expiry
1.	Permanent Account Number (PAN)	AAHCG5464E	Income Tax Act, 1961	Commissioner of Income Tax	November 08, 2018	Valid till cancelled
2.	TAN (Tax Deduction Account Number)	KNPG03489D	Income Tax Act, 1961	Income Tax Department, E-TDS Intermediary, National Securities Depository Limited	November 06, 2018	Valid till cancelled

#### Industrial, Labour and Technical Related Approvals

S. No.	Nature of Registration/ License	Registration/License No.	Applicable Laws	Issuing Authority	Date of issue / Renew	Date of Expiry
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1.	Registration under Employees' Provident Funds (EPF)	UPKNP0026818000	Employees' Provident Funds and Miscellaneous Provident Act, 1952	-*	-*	-*
2.	Registration under Employee's state Insurance Corporation	21000286340001403	Employees' State Insurance Act, 1948	-*	-*	-*

\*The company is not in possession of the original registration certificate

### Business Related Certifications:

(i) In the name of 'Gyan Pathology and X-Ray' located at 7/216 (6) Swarup Nagar, Kanpur, Uttar Pradesh:-

S. No.	Nature of Registration/ License	Registration/License No.	Applicable Laws	Issuing Authority	Date of issue / Renew	Date of Expiry
1.	Registration as a Commercial establishment under the Uttar Pradesh Shops & Establishments	UPSA35719875	Uttar Pradesh Shops and Establishments Act, 1962	Chief Inspector of Shop & Establishments, Kanpur	June 07 <sup>th</sup> , 2018	March 31 <sup>st</sup> , 2023
2.	Certificate of Registration for carrying on genetic counselling, prenatal diagnostic procedures / Pre-natal diagnostic Procedures/ Pre-natal diagnostic tests / Ultrasonography	PCPNDT/REG/KNP /2007/52	Pre-Conception and Pre-Natal Diagnostic Techniques (Prohibition of Sex Selection), Act, 1994	D.M./Approving Authority, PNDT Society, Kanpur Nagar	November 8 <sup>th</sup> , 2017	November 27 <sup>th</sup> , 2022
3.	Fire safety Certificate, Date of last inspection: May 28, 2019	S. No. 42525	The U.P. Fire Prevention And Fire Safety Rules, 2005	Fire Safety Officer, Kanpur	May 28, 2019	N/a (Testing relating to Fire safety to be conducted every year as per The Bureau Of Indian Standards Act, 2016)
4.	Authorization for operating a facility for generation, collection and storage of biomedical wastes under the BMW Rules.	MPCC/KNP/2018-19/5061	Bio-Medical Waste Management Rules 2016	Medical Pollution Control Committee	June 25, 2018	June 24, 2019*
5.	Provisional or Permanent Registration under The Clinical Establishments and Regulation) Act, 2010	PATH-11/14	The Clinical Establishments (Registration and Regulation) Act	Chief Medical Officer, Kanpur	June 29, 2019	March 31, 2020

\*The company is yet to apply for the renewal of the Authorization for operating a facility for generation, collection and storage of biomedical wastes under the BMW Rules.

- In the name of Gyan Pathology and X-Ray located at FLAT No.- G-3 on ground floor at plot No. 449, Block-W-1 Saket Nagar, Kanpur:-

S. No.	Nature of Registration/ License	Registration/License No.	Applicable Laws	Issuing Authority	Date of issue / Renew	Date of Expiry
1.	Registration as a commercial establishment under the Uttar Pradesh Shops & Establishments	UPSA35720230	Uttar Pradesh Shops and Establishments Act, 1962	Chief Inspector of Shop & Establishments, Kanpur	June 01, 2019	March 31, 2024
2.	Fire safety Certificate, Date of last inspection: July 01, 2019	S. No. 42616	The U.P. Fire Prevention And Fire Safety Rules, 2005	Fire Safety Officer, Kanpur	July 01, 2019	N/a (Testing relating to Fire safety to be conducted every year as per The Bureau Of Indian Standards Act, 2016)

**Domain Name registered in the name of the Company:**

S. No.	Domain Name and ID	Sponsoring Registrar and IANA ID	Creation Date	Expiry Date
1.	GIANPATHLABS.COM 2307516517_DOMAIN_COM-VRSN	Domainshype.com, LLC IANA ID – 1660	September 08 <sup>th</sup> , 2018	September 08 <sup>th</sup> , 2019

**Quality Certifications and Registration/Membership of Trade Association/Export Council and Technical Approvals**

S. No.	Nature of Registration/License	Registration/License NO.	Issuing Authority	Date of Issue	Date of Expiry
1.	ISO 9001:2015	11361-AQMS-1461	Global Accreditation Board	May 11, 2006	May 10, 2021

**Approvals and License applied and pending for renewal**

S. No.	Nature of Registration/ License	Location	Applicable Laws	Issuing Authority	Date of Application
1	Provisional or Permanent Registration under The Clinical Establishments (Registration and Regulation) Act, 2010	FLAT No.- G-3 on ground floor at plot No. 449, Block-W-1 Saket Nagar, Kanpur	The Clinical Establishments (Registration and Regulation) Act	Chief Medical Officer, Kanpur	March 25, 2019

**Approvals and License pending to be applied**

- Authorization for operating a facility for generation, collection and storage of biomedical wastes under the BMW Rules for the laboratory located at Swaroop Nagar
- Authorization for operating a facility for generation, collection and storage of biomedical wastes under the BMW Rules for the laboratory located at Saket Nagar.

**OUR GROUP COMPANY**

As per the SEBI (ICDR) Regulations, for the purpose of identification of Group Companies, our Company has considered companies covered under the applicable accounting standard, i.e., AS-18 as per the Restated Financial Statements (other than our Subsidiary Company if any) and other companies considered material by our Board with which our Company has had related party transactions during the period since incorporation to March 31, 2019 and for period from April 01, 2019 to April 30, 2019.

Pursuant to a resolution of our Board dated April 12, 2019. Our Board has adopted a policy for determining material group companies for the purpose of disclosure in the offer documents in connection with the Issue, and as per the said policy, a company shall be considered material and disclosed as a Group Company, if such company is a part of the Promoter Group as defined under the SEBI (ICDR) Regulations and our Company has entered into one or more transactions such that, individually or cumulatively such transaction exceeds 20% of the total revenue of our Company of those previous financial periods in respect of which, such financial statements are included in this Draft Prospectus.

Based on the above as on the date of filing this Draft Prospectus, there are no companies which are considered as group companies for the purpose of disclosure in this Draft Prospectus.

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue**

#### *Corporate Approvals*

Our Board has approved the Issue pursuant to the resolution passed at its meeting held on April 10, 2019 and our Shareholders have approved the Fresh Issue pursuant to the resolution passed at their meeting held on April 12, 2019 under Section 62(1) (c) of the Companies Act, 2013.

#### *In-principle Approval*

Our Company has obtained in-principle approval from the SME Platform of BSE for using its name in the Draft Prospectus/ Prospectus pursuant to an approval letter dated [●] BSE is the Designated Stock Exchange.

### **Prohibition by SEBI, RBI or governmental authorities**

We confirm that our Company, our Promoter, our Promoter Group, our Directors, person(s) in control of the promoter or the natural person(s) in control of our Company are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court

The companies, with which our Directors are or were associated as promoter, directors or persons in control are not prohibited or debarred from accessing capital markets under any order or direction passed by SEBI or any other regulatory authority.

None of our Directors or the entities that our Directors are associated with as promoters or directors are in any manner associated with the securities market and there has been no action taken by the SEBI against our Directors or any entity in which our Directors are associated with as promoter or director.

### **Prohibition with respect to willful defaulters**

Neither our Company, our Promoter, our Directors, Group Company, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as willful defaulters as defined by the SEBI ICDR Regulations.

### **Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.**

Under the SBO Rules certain persons who are 'significant beneficial owners', are required to intimate their beneficial holdings to our Company in Form no. BEN-1. As on date of Draft Prospectus, there are no such significant beneficial owners in our Company.

### **Eligibility for the Issue**

Our Company is eligible in terms of Regulations 230 of SEBI ICDR Regulations for this 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 229(1) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital is less or equal to Rs.10 crores and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the "SME Platform of BSE").

### **We confirm that:**

1. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue will be 100% underwritten and that the

LM to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled "General Information – Underwriting" beginning on page 44 of this Draft Prospectus.

2. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or Equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.
3. In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Lead Manager submits a copy of the Draft Prospectus/Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Draft Prospectus/ Prospectus.
4. In accordance with Regulation 261(1) of the SEBI (ICDR) Regulations, we hereby confirm that we will enter into an agreement with the Lead Manager and with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the SME Platform of BSE. For further details of the arrangement of market making please refer to section titled "General Information – Details of the Market Making Arrangements for this Issue" beginning on page 44 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 IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

1. Our Company shall mandatorily facilitate trading in demat securities and has entered into an agreement with both the depositories.
2. Our Company has a website i.e. [www.gianpathlabs.com](http://www.gianpathlabs.com).

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of the BSE:-

3. Our Company was incorporated as a public limited company under the Companies Act, 2013 and registered with the Registrar of Companies, Uttar Pradesh, Kanpur with the name & style "Gian Life Care Limited" pursuant to a certificate of incorporation dated November 06, 2018. Subsequently, our Company has acquired the entire business of M/s Gian Pathology & X- Ray w.e.f. March 01, 2019
4. The post issue paid up capital of the company will be up to 47,00,694 shares of face value of ₹ 10/- aggregating up to ₹ 470.07 lakhs which is less than ₹ 25 Crores.
5. The Proprietorship firm which has been taken over by our Company and our Promoter has a track record of more than 3 years as on the date of filing Draft Prospectus.
6. The Company has positive cash accruals (earnings before depreciation and tax) from operations and its net-worth as on April 30, 2019 is positive.

(In Rs. Lacs)

Particular	Period ending April 30, 2019	Period ending March 31, 2019
Networth	348.75	11.04
Earnings before depreciation and tax	14.30	15.67

7. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
8. There is no winding up petition against the Company, which has been admitted by the court or a liquidator has not been appointed.

9. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
10. Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, Group Company, companies promoted by the promoters of the company.
11. The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- The Draft Prospectus has been filed with BSE and our Company has made an application to BSE for listing of its Equity Shares on the BSE SME platform. BSE is the Designated Stock Exchange.
- Our Company has entered into agreement with both the depositories for dematerialization of its Equity Shares already issued and proposed to be issued.
- The entire pre-Issue capital of our Company has shares fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable. Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

- a) Neither our Company nor our Promoters, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
- b) None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.
- c) Neither our Company nor our Promoters or Directors is a willful defaulter.
- d) None of our Promoters or Directors is a fugitive economic offender.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT OFFER DOCUMENT / 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 OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT OFFER DOCUMENT / OFFER DOCUMENT. THE LEAD MANAGER, HEM SECURITIES 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, 2018 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 DRAFT OFFER DOCUMENT/ OFFER DOCUMENT, THE LEAD MANAGER, HEM SECURITIES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, HEM SECURITIES LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JULY 05, 2019, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ICDR), REGULATION 2018.**

**THE FILING OF THIS DRAFT PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING**

**SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LM ANY IRREGULARITIES OR LAPSES IN THE DRAFT PROSPECTUS/ PROSPECTUS.**

*All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Kanpur in terms of section 26 of the Companies Act, 2013.*

**Statement on Price Information of Past Issues handled by Hem Securities Limited:**

Sr. No.	Issue name	Issue size (Rs in 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.	Vasa Retail and Overseas Limited	4.8	30.00	February 06, 2018	36.00	104.33% [-2.43]	70% [-2.06%]	40% [8.47%]
2.	Hindcon Chemicals Limited	7.728	28.00	March 09, 2018	33.60	[6.61%] [1.49%]	-8.93% [5.29%]	-28.57% [12.22%]
3.	Tara Chand Logistic Solutions Limited	20.46	55.00	March 23, 2018	49.00	-12.73% [-5.87%]	16.67% [7.43%]	-43.64% [12.37%]
4.	Dhruv Consultancy Services Limited	23.198 4	54.00	May 10, 2018	53.40	-0.19% [0.67%]	-12.58% [6.77%]	-29.63% [-0.72%]
5.	Sonam Clock Limited	10.108 8	36.00	June 14, 2018	37.00	2.50% [1.18%]	2.50% [5.20%]	4.17% [-2.40%]
6.	Parin Furniture Limited	18.90	63.00	October 09, 2018	64.00	0.79% [2.75%]	7.30% [4.57%]	8.65% [13.25%]
7.	Kritika Wires Limited	15.398 4	32.00	October 10, 2018	34.10	9.38% [1.20%]	28.75% [4.57%]	3.13% [10.94%]
8.	Mindpool Technologies Limited	3.6	30	February 28, 2019	30	-28.00% [8.12%]	-38.17% [9.90%]	N.A
9.	V R Films Limited	2.27	61	April 30, 2019	62.00	13.03% [2.05%]	N.A	N.A
10.	Evans Electric Limited	1.93	52	May 13, 2019	52.20	188.46 % [7.19%]	N.A	N.A

Source: Price Information [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com), Issue Information from respective Prospectus.

**Summary statement of Disclosure:**

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Cr.)	No. of IPOs trading at discount-30 <sup>th</sup> calendar days from listing			No. of IPOs trading at Premium-30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount-180 <sup>th</sup> calendar days from listing			No. of IPOs trading at Premium-180 <sup>th</sup> calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-18	16 <sup>(1)</sup>	234.21	-	1	4	6	2	3	-	2	3	5	3	3
2018-19	5 <sup>(2)</sup>	71.205	-	1	1	-	-	3	-	1	-	-	-	3
2019-20	2 <sup>(3)</sup>	4.200	-	-	-	1	-	1	-	-	-	-	-	-

(1) The Scrips of Dev Information Technology Limited, Vadivarhe Speciality Chemicals Limited, Globe Textiles (India) Limited, Accord Synergy Limited, Captain Technocast Limited, Shanti Overseas (India) Limited, Surevin BPO Services Limited, Pashupati Cotspin Limited, Share India Securities Limited, RKEC Projects Limited, D. P. Abhushan Limited, ANI Integrated Services Limited, Dynamic Cables Limited, Vasa Retail and Overseas Limited, Hindcon Chemicals Limited and Tara Chand Logistic Solutions Limited was listed on April 17, 2017, June 02, 2017, June 23, 2017, July 06, 2017 August 01, 2017, August 03, 2017, August 09, 2017, September 08, 2017, October 05, 2017, October 09, 2017, October 23, 2017, November 20, 2017, December 14, 2017, February 06, 2018, March 09, 2018 and March 23, 2018 respectively.

(2) The scrip of Dhruv Consultancy Services Limited and Sonam Clock Limited were listed on May 10, 2018 and June 14, 2018. Parin Furniture Limited, Kritika Wires Limited and Mindpool Technologies Limited was listed on October 09, 2018, October 10, 2018 and February 28, 2019 respectively. Further, the scrip Mindpool Technologies Limited has not completed its 180 day from the date of its listing.

(3) The scrip of V R Films Limited and Evans Electric Limited was listed on April 30, 2019 and May 13, 2019 respectively and thus has not completed its 90th day from the date of its listing.

**Note:**

- a) Based on date of listing.
- b) BSE SENSEX and CNX NIFTY have been considered as the benchmark index.
- c) Prices on BSE/NSE are considered for all of the above calculations.
- d) In case 30<sup>th</sup> /90<sup>th</sup> /180<sup>th</sup> day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
- e) In case 30<sup>th</sup> /90<sup>th</sup> /180<sup>th</sup> day, scrips are not traded then last trading price has been considered.
- f) N.A. – Period not completed.
- g) As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by lead manager are provided.

**Track Record of past issues handled by Hem Securities Limited**

For details regarding track record of LM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the LM at: [www.hemsecurities.com](http://www.hemsecurities.com)

**Disclaimer from our Company and the Lead Manager**

Our Company, the Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in the advertisements or any other material issued by or at the instance of the Company and anyone placing reliance on any other source of information would be doing so at their own risk.

The LM accept no responsibility, save to the limited extent as provided in the Agreement entered between the LM (Hem Securities Limited), and our Company on June 24, 2019 and the Underwriting Agreement dated [●] entered into between the Underwriter, and our Company and the Market Making Agreement dated [●] entered into among the Market Maker and our Company.

All information shall be made available by our Company, and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Company, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group and our affiliates or associates for which they have received and may in future receive compensation.

**Note**



Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company, and the Underwriter 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 Underwriter and their respective Directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Offer.

### **Disclaimer in Respect of Jurisdiction**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Kanpur, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

### **Disclaimer Clause of the SME Platform of BSE**

As required, a copy of the Draft Prospectus shall be submitted to the SME Platform of BSE. The Disclaimer Clause as intimated by the SME Platform of BSE Limited to us, post scrutiny of the Draft Prospectus, shall be included in the Prospectus prior to the filing with RoC.

### **Disclaimer Clause under Rule 144A of the U.S. Securities Act**

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

**Filing**

This Draft Prospectus is being filed with BSE Limited, Exchange Plaza, 25<sup>th</sup> Floor, P J Towers, Dalal Street, Mumbai, Maharashtra 400001 India.

Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018, the copy of the Draft Prospectus shall also be furnished to the SEBI in a soft copy. However, SEBI will not issue any observation on the Draft Prospectus in terms of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Pursuant to SEBI Circular No SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Draft Prospectus and Prospectus will be filed online through SEBI Intermediary portal at <https://siportal.sebi.gov.in>.

A copy of the Prospectus, along with the documents required to be filed, will be delivered for registration to the RoC in accordance with Section 26 of the Companies Act, 2013, and a copy of the Prospectus, required to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies, Kanpur, 37/17, Westcott Building, The Mall, Kanpur-208001, India.

**Listing**

The Equity Shares of our Company are proposed to be listed on SME Platform of BSE. Our Company has obtained in-principle approval from BSE by way of its letter dated [●] for listing of equity shares on SME Platform of BSE (BSE SME).

BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company shall forthwith repay, all moneys received from the applicants in pursuance of this Draft Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within Six (6) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Issue within Six (6) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

**Impersonation**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable to action under section 447 of the Companies, Act 2013

**Consents**

Consents in writing of Our Directors, Our Promoter, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Our Banker to the Company\*, Lead Manager, Registrar to the Issue, Banker to the Issue\*, Legal Advisor to the Issue, Sponsor Bank\*, Underwriter to the Issue\* and Market Maker to the Issue\* to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 26 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus

for registration with the RoC.

*\*The aforesaid will be appointed prior to filing of Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.*

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s. P. D. Dalal & Co., Chartered Accountants, Statutory Auditor of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and restated financial statements as included in this Draft Prospectus/ Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

### **Experts Opinion**

Except for the reports in the section titled “*Financial Statements and “Statement of Tax Benefits”*” on page 113 and 70 respectively of this Draft Prospectus from the Statutory Auditor, our Company has not obtained any expert opinions. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

### **Fees, Brokerage and Selling Commission payable**

The total fees payable to the Lead Manager will be as per the (i) Agreement dated June 24, 2019 with the Lead Manager, (ii) the Underwriting Agreement dated [●] with the Underwriter and (iii) the Market Making Agreement dated [●] with the Market Maker, a copy of which is available for inspection at our Corporate Office from 10.00am to 5.00 pm on Working Days from the date of the Draft Prospectus until the Issue Closing Date.

### **Fees Payable to the Registrar to the Issue**

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the agreement between our Company, and the Registrar to the Issue dated April 04, 2019 a copy of which is available for inspection at our Company’s Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send allotment advice by registered post/speed post.

### **Particulars regarding Public or Rights Issues during the last five (5) years**

Our Company has not made any previous public or rights issue in India or Abroad the five (5) years preceding the date of this Draft Prospectus.

### **Previous issues of Equity Shares otherwise than for cash**

For detailed description please refer to the section titled “*Capital Structure*” beginning on page 47 of this Draft Prospectus.

### **Underwriting Commission, brokerage and selling commission on Previous Issues**

Since this is the initial public offering of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

### **Previous capital issue during the last three years by listed Group Companies of our Company**

None of our Group Companies are listed. Further, none of our Group Companies have made any capital issue of securities in the preceding three years.

### **Performance vis-à-vis objects**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

### **Outstanding Debentures or Bond Issues or Redeemable Preference Shares**

As on the date of this Draft Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

### **Partly Paid-Up Shares**

As on the date of this Draft Prospectus, there are no partly paid-up Equity Shares of our Company.

### **Outstanding Convertible Instruments**

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft Prospectus.

### **Option to Subscribe**

- a) Investors will get the allotment of specified securities in dematerialization form only.
- b) The equity shares, on allotment, shall be traded on stock exchange in Demat segment only.

### **Stock Market Data for our Equity Shares**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

### **Investor Grievances and Redressal System**

The agreement between the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) years from the last date of dispatch of the letters of allotment and Demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there is no investor complaints received during the three years preceding the filing of this Draft Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Draft Prospectus.

Investors may contact the LM for any complaint pertaining to the Issue. All grievances, may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary, where the Bid cum Application Form was submitted, quoting the full name of the sole or first Applicant, Bid cum Application Form number, Applicants' DP ID, Client ID, PAN, UPI ID (if applicable), address of the Applicant, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Applicant shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove. Our Company, LM and the Registrar accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

### **Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be within 15 Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Ms. Astha Chaturvedi, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. For details, see “*General Information*” on page 40 of this Draft Prospectus.

Our Board by a resolution on April 12, 2019 constituted a Stakeholders Relationship Committee. For further details, please refer to section titled “*Our Management*” beginning on page 97 of this Draft Prospectus.

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web based complaints redress system “SCORES”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in).

### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

### **Disposal of investor grievances by listed companies under the same management as our Company**

We do not have any listed company under the same management.

### **Capitalization of Reserves or Profits**

Save and except as stated in “*Capital Structure*” on page 47 of this Draft Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

### **Revaluation of assets**

Our Company has not revalued its assets since incorporation.

### **Servicing Behavior**

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

### **Payment or benefit to officers of Our Company**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation. Except as disclosed under sections titled “*Our Management*”; and “*Related Party Transactions*” beginning on page 97 and 132 respectively, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

## SECTION VIII: ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Prospectus, this Draft Prospectus, the abridged prospectus, any addendum/corrigendum thereto, Application Form, any Confirmation of Allocation Note ("CAN"), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Issue.*

*Please note that in terms of SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in this issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized 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.*

#### **Authority for the Issue**

The present Public Issue of upto 14,16,000 Equity Shares has been authorized by a resolution of the Board of Directors of our Company at their meeting held on April 10, 2019 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra Ordinary General Meeting held on April 12, 2019 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

#### **Ranking of Equity Shares**

The Equity Shares being offered/ issued shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to section titled "*Main Provisions of the Articles of Association*" beginning on page 191 of this Draft Prospectus.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to section titled "*Dividend Policy*" beginning on page 112 of this Draft Prospectus.

#### **Face Value and Issue Price**

The Equity Shares having a Face Value of Rs.10.00 each are being offered in terms of this Draft Prospectus at the price of Rs. [●] per Equity Share (including premium of Rs. [●] per share).

The Issue Price will be determined by our Company in consultation with the Lead Manager and is justified under section titled "*Basis for Issue Price*" beginning on page 67 of this Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

### **Compliance with SEBI ICDR Regulations, 2018**

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 or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to section titled "*Main Provisions of the Articles of Association*" beginning on page 191 of this Draft Prospectus.

### **Minimum Application Value, Market Lot and Trading Lot**

As per the provisions of the Depositories Act, 1996 and the regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated March 25, 2019 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated March 20, 2019 between CDSL, our Company and Registrar to the Issue.

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the SME platform of BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

### **Minimum Number of Allottees**

In accordance with Regulation 268 of SEBI (ICDR) Regulations, 2018 the minimum number of allottees in the 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 collected shall be unblocked forthwith.

## Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Kanpur, Uttar Pradesh.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

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

## Joint Holders

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

## Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

## Period of Subscription List of Public Issue

<b>ISSUE OPENS ON</b>	[•]
<b>ISSUE CLOSSES ON</b>	[•]
<b>FINALIZATION OF BASIS OF ALLOTMENT</b>	[•]
<b>UNBLOCKING OF FUNDS FROM ASBA ACCOUNTS</b>	[•]
<b>CREDIT OF EQUITY SHARES TO DEMAT ACCOUNTS OF ALLOTTEES</b>	[•]
<b>COMMENCEMENT OF TRADING OF THE EQUITY SHARES ON THE STOCK</b>	[•]



<b>EXCHANGE</b>	
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The above timetable is indicative and does not constitute any obligation on our Company. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on SME Platform of BSE is taken within six Working Days from the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Applications and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period. On the Issue Closing Date, the Applications and any revision to the same shall be accepted between 10.00 a.m. and 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of Applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchange. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, not later than 5.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public issue, some Applications may not get uploaded due to lack of sufficient time. Such Applications that are not uploaded will not be considered for allocation under the Issue. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

#### **Minimum Subscription and Underwriting**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriter 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 becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 40 of the Companies Act, 2013.

In terms of Regulation 260 of the SEBI ICDR Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “*General Information - Underwriting*” on page 44 of this Draft Prospectus.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

#### **Migration to Main Board**

In accordance with the Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the SME Platform of the BSE for a minimum period of 2 (Two) years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations, 2018.

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulations, 2018, our Company may migrate to the main board of BSE Limited on a later date subject to the following:

- If the Paid up Capital of the Company is likely to increase above Rs. 25 Crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), 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 Rs. 10 Crore but below Rs. 25 Crore, Our Company may still apply for migration to the Main Board if our Company fulfils the eligibility criteria for listing laid down by the Main Board of BSE and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### **Market Making**

The shares offered through this 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 3 (three) years from the date of listing on the SME platform of BSE (BSE SME). For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please refer to section titled "General Information - Details of the Market Making Arrangements for this Issue" on page 44 of this Draft Prospectus.

### **Arrangements for disposal of odd lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the BSE SME Platform.

### **As per the extent Guideline 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, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

### **Option to receive Equity Shares in Dematerialized Form**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Issue shall be allotted only in dematerialized form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchange.

### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Issue.

### **Application by Eligible NRI's, FPI's, VCF's, AIF's registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

### **Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting**

Except for lock-in of the Pre- Issue Equity Shares and Promoters minimum contribution in the Issue as detailed under section titled "Capital Structure" beginning on page 47 of this Draft Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to section titled "Main Provisions of the Articles of Association" beginning on page 191 of this Draft Prospectus.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.*

### ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is less than or equal to ten Crore rupees, 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 164 and 172 of this Draft Prospectus.

The Issue comprises of a Public Issue of upto 14,16,000 Equity Shares of Face Value of 10/- each fully paid (The "Equity Shares") for cash at a price of Rs. [●] per Equity Shares (including a premium of Rs. [●] per equity share) aggregating to [●] Lakhs ("the issue") by our Company of which [●] Equity Shares of Rs.10 each will be reserved for subscription by Market Maker Reservations Portion and a Net Issue to public of [●] Equity Shares of Rs.10 each is hereinafter referred to as the net issue. The Issue and the Net Issue will constitute 30.12% and [●] % respectively of the post issue paid up Equity Share Capital of the Company.

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
<b>Number of Equity Shares available for allocation</b>	[●] Equity Shares	[●] Equity Shares
<b>Percentage of Issue Size available for allocation</b>	[●]% of the Issue Size	[●]% of the Issue Size
<b>Basis of Allotment</b>	Proportionate subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares each. For further details please refer to " <i>Issue Procedure - Basis of Allotment</i> " on page 175 of this Draft Prospectus.	Firm Allotment
<b>Mode of Application</b>	All the applicants shall make the application (Online or Physical) through ASBA Process only for Non-Retails Investors and through ASBA Process or by using UPI ID only for retail Investors.	Through ASBA Process Only.
<b>Mode of Allotment</b>	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.
<b>Minimum Application Size</b>	<p><b><u>For Other than Retail Individual Investors:</u></b> Such number of Equity Shares in multiples of [●] Equity Shares at an Issue price of Rs.[●] each, such that the Application Value exceeds Rs.2,00,000/-</p> <p><b><u>For Retail Individuals Investors:</u></b> [●] Equity Shares at an Issue price of Rs.[●] each.</p>	[●] Equity Shares
<b>Maximum Application Size</b>	<p><b><u>For Other than Retails Individual Investors:</u></b> The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable.</p> <p><b><u>For Retail Individuals Investors:</u></b> Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value does not exceed Rs. 2,00,000/-.</p>	[●] Equity Shares
<b>Trading Lot</b>	[●] Equity Shares	[●] Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
<b>Terms of Payment</b>	Full Application Amount shall be blocked by the SCSBs in the bank account of the ASBA Applicant that is specified in the Application Form at the time of submission of the Application Form. In case of UPI as an alternate mechanism, application amount shall be blocked at the time of confirmation of mandate collection request by applicant.	

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

\*Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

- a) Minimum of 50.00% of the net offer of shares to the public shall be made available for Retail Individual Investors; and
- b) The balance Net Issue of shares to the Public shall be made available for allotment to individual Applicants other than Retail Individual Applicant and other Investors including Non-Institutional Investors, Qualified Institution Buyers, Corporate Bodies/ Institutions.

**Note: If the retail individual investor category is entitled to more than the allocated portion on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.**

#### **Withdrawal of the Issue**

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If 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 Draft Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Draft Prospectus after it is filed with the ROC.

## **ISSUE PROCEDURE**

All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI, modified and updated pursuant to, among others, the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 notified by SEBI, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016, SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 (“General Information Document”), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document has been updated to reflect the enactments and regulations, to the extent applicable to a public issue. The General Information Document shall be made available on the websites of the Stock Exchange, the Company and the Lead Manager before opening of the Issue Period.

Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendments, modifications or change in the applicable law which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus.

The lists of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stockbroker, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that has been notified by BSE Limited to act as intermediaries for submitting Application Forms are provided on <https://www.bsesme.com>.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

## **PART A**

### **Fixed Price Issue Procedure**

The Issue is being made under Regulation 229(1) of Chapter IX of SEBI (ICDR) Regulations, 2018 via Fixed Price Process wherein minimum of 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be offered to Non-Retail Category i.e. QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Applicants are required to submit their Applications to the Designated Intermediaries i.e. SCSBs or Registered Brokers of Stock Exchanges or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, our Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that according to Section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. It is mandatory to furnish the details of Applicant’s depository account along with Application Form. The Application Forms which do not have the details of the Applicants’ depository

account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicants' PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges. However, investors may get the specified securities rematerialized subsequent to allotment.

### Phased implementation of Unified Payments Interface

SEBI has issued a circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 in relation to streamlining the process of public issue of equity shares and convertibles ("**UPI Circular**"). Pursuant to the circular, Unified Payments Interface ("**UPI**") is proposed to be introduced in a phased manner (phase I will be effective from January 1, 2019) as an additional mode of payment with ASBA Form for applications by Retail Individual Investors through intermediaries (i.e., Registered Stock Brokers, Registrar and Transfer Agents and Depository Participants) ("**UPI Channel**"). The UPI Channel for making Applications by Retail Individual Investors will be made available in accordance with the UPI Circular. SEBI vide circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 has extended the implementation of Phase I till June 30, 2019.

Thereafter, for application by Retail applicants through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds will be discontinued and only the UPI mechanism with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently, the final reduced timeline will be made effective using the UPI mechanism for applications by RIBs ("**UPI Phase III**"), as may be prescribed by SEBI

### Application Form

Pursuant to SEBI Circular dated January 01, 2016 and bearing No. CIR/CFD/DIL/1/2016, the Application Form has been standardized. Also please note that pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the investors can apply through ASBA Mode. The prescribed colour of the Application Form for various categories applying in this issue is as follows:

Category	Colour
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis(ASBA)	Blue

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Prospectus. An Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following Intermediaries (Collectively called "**Designated Intermediaries**")

No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
3.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
4.	A registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as 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:

<b>For Applications submitted by investors to SCSB without use of UPI for payment:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may
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	begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment.</b>	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	After accepting the application form, respective Intermediary shall capture and upload the relevant details, including UPI ID, in the electronic bidding system of the stock exchange. Stock Exchange shall share application details including the UPI ID with Sponsor Bank on a continuous basis, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds. Sponsor Bank shall initiate request for blocking of funds to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.

Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA Applicants.

### Availability of Prospectus and Application Forms

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue and Registrar to the Issue, as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE i.e. [www.bseindia.com](http://www.bseindia.com).

### Who can apply?

In addition to the category of Applicants as set forth under “*General Information Document for Investing in Public Issues- Category of Investors Eligible to participate in an Issue*”, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporate or foreign individuals only under the Non Institutional Investors category;
- Scientific and / or industrial research organizations authorized in India to invest in the Equity Shares.
- Any other persons eligible to apply in this Issue under the laws, rules, regulations, guidelines and policies applicable to them.

### Maximum and Minimum Application Size

The applicants in this Issue, being a fixed price, will be categorized into two:

#### 1. For Retail Individual Applicants

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs. 2,00,000. Under existing SEBI Regulations, Retail Individual Investors applying for amount not exceeding Rs.2,00,000 are allowed to withdraw or revise their application until the closure of the Issue.

#### 2. For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs. 2,00,000 and in multiples of [●] Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant and Non-Institutional Applicant cannot withdraw or lower their Application whether in terms of no. of Shares or amount at any stage.



In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.**

**The above information is given for the benefit of the Applicants. The Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

## **BASIS OF ALLOTMENT**

Allotment will be made in consultation with the 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).

For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:

1. Each successful applicant shall be allotted [●] equity shares; and
2. The successful applicants out of the total applicants for that category shall be determined by the drawl 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.

If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.

If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] equity shares, results in the actual allotment being higher than the shares offered, the final allotment maybe higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Draft Prospectus.

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:

1. As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
2. 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.
3. The unsubscribed portion of the net offer 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.

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 Stock

Exchange. The Executive Director / Managing Director of 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.

#### **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 and market making obligations. However, associates/affiliates of the Lead Manager may subscribe for Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of its clients.

#### **Option to Subscribe in the Issue**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

#### **Application by HUFs**

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 may be considered at par with Applications from individuals.

#### **Application by Eligible NRIs**

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Eligible NRI Applicants applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and eligible NRI Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary (“NRO”) accounts for the full application amount, at the time of the submission of the Application Form.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour). Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

#### **Application by FPIs (including FIIs)**

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Issue in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. Further, pursuant to a Circular dated November 24, 2014 issued by the SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. Further, where an investor has investments as FPI and also holds positions as an overseas direct investment subscriber, investment restrictions under the SEBI FPI Regulations shall apply on the aggregate of FPI investments and overseas direct investment positions held in the underlying Indian company.

### **Application by Mutual Funds**

As per the current regulations, the following restrictions are applicable for investments by Mutual Fund:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any company's paid up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

### **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 LLP Act, 2008 must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited Liability Partnerships can participate in the Issue only through the ASBA Process.

### **Applications by Insurance Companies**

In case of applications made by insurance companies registered with Insurance Regulatory Development Authority ("**IRDA**"), certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company in consultation with the Lead Manager, reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment Scheme) (5<sup>th</sup> Amendment) Regulations, 2010, as amended (the "**IRDA Investment Regulations**"), are broadly set forth below:

- a) Equity shares of a company: The lesser of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) The entire group of the investee company: at least 10% of the respective fund in case of a life insurer or 10% of investment assets in case of general insurer or reinsurer (25% in case of Unit Linked Insurance Plans); and
- c) The industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of Unit Linked Insurance Plans).

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.

### **Applications by Banking Companies**

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserve the right to reject any Application without assigning any reason. The investment limit for banking companies in non-financial services Companies as per the Banking Regulation Act, 1949, and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

### **Applications by Systemically Important Non-Banking Financial Companies**

In case of Applications made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves the right to reject any Application without assigning any reason thereof. Systematically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

### **Applications by SCSBs**

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

### **Applications under Power of Attorney**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason thereof.

In addition to the above, certain additional documents are required to be submitted by the following entities:

With respect to the applications by VCFs, FVCIs and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by to the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by provident funds, subject to applicable law, with minimum corpus of Rs.2,500 Lakhs and pension funds with minimum corpus of Rs. 2,500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

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.

### **Application by Provident Funds/Pension Funds**

In case of Applications made by provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with minimum corpus of Rs.2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of filing of this draft Prospectus. Applicants are advised to make their independent investigations and ensure that the maximum number of Equity Shares applied for or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in this draft Prospectus.

#### **Information for the Applicants:**

1. Our Company and the Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Application Form along with Abridged Prospectus and copies of the Prospectus will be available with the Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Application Forms will also be available on the websites of the Stock Exchange.
4. Any applicant who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office.
5. Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account or alternatively, the Retail Individual Applicants apply through UPI Channel, may provide the UPI ID and validate the blocking of the funds and the Application Forms that do not contain such details are liable to be rejected.
8. Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSBs or other Designated Intermediaries (Other than SCSBs) , the relevant SCSB , shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.
10. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange. Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

#### **Issue Procedure for Application Supported By Blocked Account (ASBA) Applicants**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has 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 this draft Prospectus. ASBA

Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

### Method and Process of Applications

1. Applicants are required to submit their applications during the Issue Period only through the Designated Intermediaries.
2. The Issue Period shall be for a minimum of three (3) Working Days and shall not exceed ten (10) Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding ten (10) Working Days.
3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.
5. 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 upload of the details in the electronic bidding system of stock exchange and post that blocking of funds will be done by as given below:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the application form, respective Designated Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

6. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
7. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
8. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
9. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

### Terms of payment

The entire Issue price of Rs. [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs or Sponsor Bank to unblock the excess amount paid on Application to the Applicants.

SCSBs or Sponsor Bank will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs or Sponsor Bank.

The applicants should note that the arrangement with Banker to the Issue or the Registrar or Sponsor Bank is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

### **Payment mechanism for Applicants**

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form sent by the Sponsor Bank. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - (i) the applications accepted by them;
  - (ii) the applications uploaded by them;
  - (iii) the applications accepted but not uploaded by them or;
  - (iv) with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) the applications accepted by any Designated Intermediaries;
  - (ii) the applications uploaded by any Designated Intermediaries or;
  - (iii) the applications accepted but not uploaded by any Designated Intermediaries.
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a



regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.

6. With respect to applications by Applicants, at the time of registering such applications, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields.*

7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into in the on-line system:
- Name of the Applicant;
  - IPO Name;
  - Application Form Number;
  - Investor Category;
  - PAN (of First Applicant, if more than one Applicant);
  - DP ID of the demat account of the Applicant;
  - Client Identification Number of the demat account of the Applicant;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in this draft Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchange 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 Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this draft Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with

Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.

14. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

### **Allocation of Equity shares**

- 1) The Issue is being made through the Fixed Price Process wherein [●] Equity Shares shall be reserved for Market Maker, at least [●] Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non Retail Applicants.
- 2) Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.
- 3) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- 4) In terms of SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
- 5) Allotment status details shall be available on the website of the Registrar to the Issue.

### **Signing of Underwriting Agreement and Filing of Prospectus with ROC**

- 1) Our company has entered into an Underwriting Agreement dated [●].
- 2) A copy of Prospectus will be filed with the RoC in terms of Section 26 of Companies Act, 2013.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation.

### **Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) 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.
- 3) The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.
- 4) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants 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.

### **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.

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 relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

## General Instructions

### Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Applicant shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application.
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in the ASBA account or UPI ID linked Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process the SCSBs where the Applicant has a bank account or a UPI ID linked Bank Account, the Registered Broker (at the Broker Centre's), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Instruct your respective Banks to release the funds blocked in the ASBA Account/UPI ID linked Bank Account under the ASBA process;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder.
- Ensure that you have mentioned the correct bank account number in the Application Form and in case of Retail Individual Applicants applying through UPI Channel, ensure that you have mentioned the correct UPI ID;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the Prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- Ensure that you have correctly signed the authorization/ undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account/ UPI ID linked Bank Account, as the case may be, equivalent to the Application Amount mentioned in the Application Form;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

### Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- Do not use third party bank account or third-party UPI ID linked Bank Account for making the Application;
- Do not apply on another Application Form after you have submitted an application to the Designated Intermediary;
- Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs.2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.

### **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. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchange, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the website of BSE [i.e. www.bseindia.com](http://www.bseindia.com). With a view to broad base the reach of Investors by substantial), enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect front January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the website of BSE [i.e. www.bseindia.com](http://www.bseindia.com). For details of instruction in relation to the Application Form, Applicants may refer to the relevant section of GID.

### **Applicant's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No, UPI ID (if applicable), Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain front the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

### **Submission of Application Form**

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 6 working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within three (3) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

### **Impersonation**

*Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:*

*"Any person who—*

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

*shall be liable for action under Section 447 of Companies Act, 2013 and shall be treated as Fraud."*

### **Undertakings by our Company**

We undertake as follows:

- 1) That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within the period prescribed by the Board
- 3) That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 4) That the our Promoters' contribution in full has already been brought in;
- 5) That 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;
- 6) That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the specified period of closure of the Issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 7) 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;
- 8) Adequate arrangements shall be made to collect all Application Forms from the Applicants;
- 9) There is no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are unblocked on account of non-listing, under subscription etc.;

That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;

- 10) That the certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time; and
- 11) That none of the promoters or directors of the company is willful defaulter under Section 5(c) of SEBI (ICDR) Regulations, 2018.

#### **Utilization of Issue Proceeds**

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested;
- 4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 and Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
- 5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

The Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

#### **Equity Shares in Dematerialized Form with NSDL or CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Agreement dated March 25, 2019 between NSDL, the Company and the Registrar to the Issue; and
- b) Agreement dated March 20, 2019 between CDSL, the Company and the Registrar to the Issue;

The Company's equity Shares bear an ISIN No. INE063601012.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP").

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The DIPP, has issued consolidated FDI Policy Circular of 2017 ("FDI Policy 2017"), with effect from April 28, 2017, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2017, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

**Investment by FPIs under Portfolio Investment Scheme (PIS)**

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

**Investment by NRI or OCI on repatriation basis:**

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017. The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

**Investment by NRI or OCI on non-repatriation basis**

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.**

**Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.**

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

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.



## SECTION IX: MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Pursuant to Schedule I of the Companies Act, and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

### *Interpretation*

I. (1) In these regulations --

- (i) "Act" means the Companies Act 2013 or any statutory modification or re-enactment thereof for the time being in force and the terms shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.
- (ii) "Articles" means these Articles of association of the Company or as altered from time to time.
- (iii) "Board of Directors" or "Board" means the collective body of the directors of the Company.
- (iv) "Company" means GIAN LIFE CARE LIMITED.
- (v) "Rules" means the applicable rules for the time being in force as prescribed under relevant section of the Act.
- (vi) "seal" means common seal of the Company.

B. Words importing the singular number shall include the plural number and words importing the masculine gender shall where the context admits, include the feminine and neuter gender.

(2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

### *Share Capital and Variation of rights*

II. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

1. The Authorized Share Capital of the Company shall be in accordance with clause V of the Memorandum of Association.
2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided, --
  - (a) one certificate for all his shares without payment of any charges; or
  - (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders

3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.  
(ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.
4. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.  
(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.  
(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.  
  
(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith
8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

### ***Lien***

9. (i) The company shall have a first and paramount lien --
  - (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
  - (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:  
Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.  
(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:  
Provided that no sale shall be made --
  - (a) unless a sum in respect of which the lien exists is presently payable; or

- (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
11. (i) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof  
(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.  
(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.  
ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

### *Calls on shares*

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:  
Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.  
(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.  
(iii) A call may be revoked or postponed at the discretion of the Board.
14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.
15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.  
(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.  
  
(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
18. The Board --  
(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and  
  
(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

### *Transfer of Shares*

19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.  
(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
20. The Board may, subject to the right of appeal conferred by section 58 decline to register --
  - (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
  - (b) any transfer of shares on which the company has a lien.
21. The Board may decline to recognize any instrument of transfer unless --
  - (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
  - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (c) the instrument of transfer is in respect of only one class of shares.
22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

#### ***Transmission of Shares***

23. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares  
(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either --
  - (a) to be registered himself as holder of the share; or
  - (b) to make such transfer of the share as the deceased or insolvent member could have made.  
(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.  
(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.  
(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

*Transmission of Shares*

27. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
28. The notice aforesaid shall --
  - (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
  - (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
30. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.  
(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
31. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.  
(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
32. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;  
(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;  
(iii) The transferee shall thereupon be registered as the holder of the share; and  
(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
33. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

*Transmission of Shares*

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
35. Subject to the provisions of section 61, the company may, by ordinary resolution, --
  - (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
  - (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

- (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
36. Where shares are converted into stock, --
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:  
Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
- (c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.
37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law, --
- (a) its share capital;
- (b) any capital redemption reserve account; or
- (c) any share premium account.

#### ***Capitalization of Profits***

38. (i) The company in general meeting may, upon the recommendation of the Board, resolve --
- (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and
- (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards --
- (A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
- (B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
- (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
- (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
- (E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
39. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall --
- (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and
- (b) generally, do all acts and things required to give effect thereto.
- (ii) The Board shall have power --
- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

- (b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

### ***Capitalization of Profits***

- 40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

### ***General Meetings***

- 41. All general meetings other than annual general meeting shall be called extraordinary general meeting.
- 42. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.  
(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

### ***Proceedings at General Meetings***

- 43. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.  
(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
- 44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
- 45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
- 46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

### ***Adjournment of Meeting***

- 47. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.  
(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.  
(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.  
(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

### ***Voting Rights***

- 48. Subject to any rights or restrictions for the time being attached to any class or classes of shares, --
  - (a) on a show of hands, every member present in person shall have one vote; and

- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
50. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.  
(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
51. 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.
52. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid
54. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.  
(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

### **Proxy**

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105
57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:  
Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

### **Board of Directors**

58. Until otherwise determined by the Company in General Meeting the number of the Directors shall not be more than Fifteen nor less than Three. The Present Directors of the Company shall be the person named hereunder: -
1. SHRI ARUN KUMAR GUPTA
  2. SMT. AVANI GUPTA
  3. RASHIKA AGARWAL
59. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.



- (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them –
  - (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
  - (b) in connection with the business of the company.
- 60. The Board may pay all expenses incurred in getting up and registering the company.
- 61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
- 62. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine
- 63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
- 64. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.  
(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.
- 65. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.  
(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
- 66. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.  
(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
- 67. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
- 68. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.  
(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
- 69. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.  
(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
- 70. (i) A committee may elect a Chairperson of its meetings.  
(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

71. (i) A committee may meet and adjourn as it thinks fit.  
(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

***Chief executive officer, Manager, Company Secretary or Chief Financial Officer***

74. Subject to the provisions of the Act, --
  - (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
  - (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer
75. A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

***The Seal***

76. (i) The Board shall provide for the safe custody of the seal.  
(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

***Dividend and reserve***

77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
78. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
79. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.  
(ii) *The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve*

80. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.  
(ii) *No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.*  
(iii) *All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.*
81. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
82. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.  
(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
83. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
84. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
85. No dividend shall bear interest against the company.

#### **Accounts**

86. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.  
(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorized by the Board or by the company in general meeting.

#### **Winding Up**

87. Subject to the provisions of Chapter XX of the Act and rules made thereunder --  
(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.  
(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.  
(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

#### **Indemnity**

88. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

***Others***

89. General Power

Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Articles authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

**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 this 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 Prospectus delivered to the Registrar of Companies, Kanpur, Uttar Pradesh for registration, and also the documents for inspection referred to hereunder, may be inspected at our Registered Office of our Company from 10.00 am to 5.00 pm on Working Days from the date of this Draft Prospectus until the Issue Closing Date.*

**Material Contracts to the Issue**

1. Issue Agreement dated June 24, 2019 entered into among our Company and the Lead Manager.
2. Agreement dated April 04, 2019 entered into among our Company and the Registrar to the Issue.
3. Tripartite Agreement dated March 25, 2019 entered into among our Company, NSDL and the Registrar to the Issue.
4. Tripartite Agreement dated March 20, 2019 entered into among our Company, CDSL and the Registrar to the Issue.
5. Public Issue account Agreement dated [●], 2019 between our Company, the Lead Manager, Banker to the Issue/Sponsor Bank and the Registrar to the Issue.
6. Market Making Agreement dated [●] between our Company, the Lead Manager and the Market Maker.
7. Underwriting Agreement dated [●] between our Company, the Lead Manager and the Underwriter.

**Material Documents**

1. Certified copies of the Memorandum of Association and Articles of Association of our Company.
2. Certificate of Incorporation dated November 06, 2018 issued by the Registrar of Companies, Kanpur, Uttar Pradesh.
3. Resolution of the Board of Directors of our Company and Equity Shareholders of our Company dated April 10, 2019 and April 12, 2019, respectively, authorizing the Issue and other related matters.
4. Copies of the Audited Financial Statements of our Company for the period ending on March 31, 2019 and period ending on April 30, 2019.
5. Copy of Restated Financial statements of our Company for the period ending on March 31, 2019 and period ending on April 30, 2019.
6. Copy of the Statement of Tax Benefits dated June 27, 2019 as included in this Draft Prospectus from the Statutory Auditor M/s. P D Dalal & Co., Chartered Accountants.
7. Consents of Bankers to our Company, Bankers to the Issue and Sponsor Bank, the Lead Manager, Market Maker, Underwriter, Registrar to the Issue, Legal advisor, Promoters of our Company, Directors of our Company, Chief Financial Officer and Company Secretary and Compliance Officer and Statutory Auditor.
8. Board Resolutions dated July 05, 2019 and [●], 2019 for approval of Draft Prospectus and Prospectus, respectively.
9. Due Diligence Certificate from Lead Manager dated July 05, 2019 to be filed with SEBI.
10. In-principle approval from BSE vide letter dated [●], 2019 to use their name in the Draft Prospectus/Prospectus for listing the Equity Shares on the SME Platform of BSE (BSE SME).

**DECLARATION**

We certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, 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, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this Draft Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

Name and Designation	Signature
<i>Mr. Arun Kumar Gupta Managing Director</i>	Sd/-
<i>Ms. Rashika Agarwal Non-Executive Director</i>	Sd/-
<i>Mr. Manoj Kumar Agarwal Independent Director</i>	Sd/-
<i>Mr. Ashutosh Kumar Asthana Independent Director</i>	Sd/-

**SIGNED BY CHIEF FINANCIAL OFFICER:**

Sd/-

*Mrs. Avani Gupta  
Chief Financial Officer*

**SIGNED BY COMPANY SECRETARY AND COMPLIANCE OFFICER:**

Sd/-

*Ms. Astha Chaturvedi  
Company Secretary and Compliance Officer*

Date: July 05, 2019

Place: Kanpur, Uttar Pradesh