

MARKET SURGES DESPITE BJP WASHOUT

The week under report opened the week with mega loss but thereafter gained for the rest of the sessions to close the week on a green note. Monday marked mega loss following Exit Poll indication of BJP washout. But thereafter, market that had already discounted the impact of BJP loss in five state elections, it started gaining momentum. Although global scene was not clear and Brexit as well as US-China trade war imbroglio continued. Some positive development indication on US-China trade war propelled value buying. Market expected more sops from BJP Government to cover up the recent losses in forthcoming Lok Sabha elections and bulls started chasing fancy counters. On the last day, market moved in a narrow range despite higher IIP and lower CPI data.

Benchmark indices dropped sharply on Monday weighed by slide in index heavyweights like Reliance Industries, Kotak Mahindra Bank, HDFC and Infosys. BSE Sensex lost 713.53 points to end the day at 34,959.72. Nifty lost 205.25 points to close at 10,488.45. The Sensex dropped below the psychologically important 35,000 mark.

Indices logged modest gains on Tuesday led by gains in heavy weights ITC, State Bank of India and Axis Bank. The Sensex settled above the psychological 35,000 mark after sliding below that level in intraday trade.



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MARKET REVIEW
(SEBI registered Research Analyst-Mumbai)

BSE Sensex rose 190.29 points to close at 35,150.01. Nifty rose 60.70 points to end the day at 10,549.15.

Wednesday marked opening with rally on broad-based buying demand in index heavy weights. BSE Sensex gained 629.06 points to end the day at 35,779.07. Nifty rose 188.45 points to close at 10,737.60.

Benchmarks logged modest gains on Thursday following strong domestic economic data. The Sensex settled below the psychological 36,000 level after moving above and below that level in intraday trade. BSE Sensex rose 150.57 points to close at 35,929.64. Nifty rose 53.95 points to end the day at 10,791.55.

Benchmark indices ended with small gains on Friday. The Sensex ended below the psychological 36,000 mark after moving above and below that level in intraday trade. The Sensex rose 33.29 points to end the day at 35,962.93. Nifty rose 13.90 points to close at 10,805.45.

During the week Oriental Aromatics turned ex-bonus (1 for 1) as well as ex-split (2 for 1).

During the week dividend announcement came in from Indian Oil (67.50%) etc.

Dollar firmed up around Rs. 71.90 a dollar by week end. Brent Crude Oil eased to around 61.30\$ a barrel

by week end. Now all eyes will be on US Fed meet, Q3 advance tax data and the global micro economic data. In absence of any major factors, market may turn range bound for the ensuing week. FIIs will be on holiday mood and thus market will be largely witness domestic operators' action.

Amidst such a scenario NSE Nifty and BSE Sensex may hover between 11200-10100 and 36700-34200 respectively for the ensuing week.

White Organic to consider bonus issue on 17.12.2018 and Container Corp to consider bonus issue on 20.12.18.

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As can be seen from the table below, during the week, indices moved in the range of 10838.60-10333.85 and 36095.56-34426.29 for NSE Nifty and BSE Sensex respectively.

NSE	Nifty				
Date	Open	High	Low	Close	Diff
10-Dec-18	10508.7	10558.85	10474.95	10488.45	-205.25
11-Dec-18	10350.05	10567.15	10333.85	10549.15	60.7
12-Dec-18	10591	10752.2	10560.8	10737.6	188.45
13-Dec-18	10810.75	10838.6	10749.5	10791.55	53.95
14-Dec-18	10784.5	10815.75	10752.1	10805.45	13.9
	Net	Weekly	Gain	111.75	

For the week, we witnessed net weekly GAINS of 111.75 points for NSE Nifty and 289.68 Points for BSE Sensex.

BSE	Sensex				
Date	Open	High	Low	Close	Diff
10-12-18	35,204.66	35,246.97	34,915.77	34,959.72	-713.53
11-12-18	34,584.13	35,207.33	34,426.29	35,150.01	190.29
12-12-18	35,277.84	35,826.58	35,167.47	35,779.07	629.06
13-12-18	36,024.88	36,095.56	35,794.51	35,929.64	150.57
14-12-18	35,960.19	36,019.02	35,813.85	35,962.93	33.29
	Net	Weekly	Gain	289.68	

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advisor prior to making any actual investment decisions, based on information published here. Any reader taking decisions based on any information published here does so entirely at own risk. Above information is based on the details

available as on the date along with market perceptions. Investors should bear in mind that any investments in stock markets are subject to unpredictable market related risks. (THE AUTHOR IS SEBI REGISTERED RESEARCH ANALYST)

DECCAN HEALTHCARE BSE SME IPO DEC. 2018 REVIEW (SUBSCRIBE FOR LONG TERM)

Deccan Health Care Ltd. (DHL) that announced its maiden IPO in December last postponed the same due to procedural lapses on disclosures. It has now cleaned the slate and is mulling afresh IPO with modified terms. The company is into developing, manufacturing and marketing a broad range of healthcare products including nutraceutical, osmeceutical and Ayurveda products and is known for the premium range of products in all these categories.

While it is marketing its products online as well as offline, it gives major thrust for online marketing that

- o DHL is emerging online Nutraceutical food supplement product supplier.
- o Company is doing aggressive marketing with its "Beyoungbharat" initiatives.
- o Imported plant and machinery to boost export earnings.
- o Added investors like Kent RO, Valuewise, DS Group etc in recent past.

gave them the desired level of operations with over 1.65 lakh online loyal customers. The company follows the concept of "Prevention is better than cure" and is competing with multinational brands that are sold at higher premiums. DHL's online portals for e-commerce are www.beyoungstore.com and www.deccanhealthcare.co.in. The company uses natural ingredients for its product formulas. It is installing new imported plant and machinery to boost its export earnings. USP for DHL is its dealing in FMCH (Fast Moving Consumer Healthcare) products that is fast grow-

ing sector. The company has the ability to supply products in various forms such as tablets, capsules, gel, liquids, ointments, powder, pastes etc. It is an ISO 9001:2008 certified and FSSAI license company. It has PAN India presence with over 140 distributors and 6100 marketing agents. It has also entered into 2 distributorship agreements with foreign distributors situated in Kenya and Tanzania. DHL's products are marketed under brand names like "Stay Wow", "Be Young", "My Nutridecc", "Pharma Decc" and "Stay Young". It has identified over 50 consumer wellness goals and over 200 diseases,

disorders, disabilities which can be prevented by meeting RDA of micronutrients and it has innovated and developed cost-effective products that are unique and differentiated to combat such diseases.

The company is participating in recently announced "Ayushman Bharat" with its "beyoungbharat" initiatives that will help it to boost its play in nutraceutical supplement doses.

ISSUE DETAILS/CAPITAL HISTORY:

To part finance repayment/prepayment of certain debts, purchase of plant and machinery and related civil

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Deccan Healthcare (DHL) Limited

Deccan Healthcare having niche place in nutraceutical supplement with online marketing.

Deccan Healthcare Ltd. (DHL) was incorporated in the year 1996, It is into developing, manufacturing and marketing a broad range of healthcare products including nutraceutical, cosmeceutical and ayurveda products. With an operating history of more than two decades, it is primarily known for its premium range of nutraceutical, ayurveda and cosmeceutical products. In the present competitive era of medicines and food supplements, DHL aim to distinguish identity by focusing on ways to bridge the nu-

"DHL follows the concept of "Prevention is better than cure"

Uttarakhand. The quality of products is evidenced by the number of quality certifications that the Company has obtained from various local and international accreditation agencies. Its facility complies with GMP and WHO GMP for its health/diet supplements and ayurvedic products. It has also obtained FSSAI license for products and is also an ISO 9001:2015 certified for Management System for manufac-

ments, powder, pastes, etc.

DHL mainly develops and markets differentiated healthcare products specializing in nutraceutical and cosmeceutical products, which it commercializes through different revenue channels that takes the products solutions to the consumers which includes network of distributors, marketing agents, direct to consumers and e-commerce channel for domestic sales. The Company

portal for commercialisation of products and their distribution through e-commerce. The online portal for e-commerce are www.beyoungstore.com and www.deccanhealthcare.co.in. The Company has been re-



Issue opens 18 December 2018 -
Issue Closes 20 December 2018

Issue Details

Details

Particulars

Issuer Type	Book Built Issue
Issue Size	42,12,000 Equity Shares
	Fresh Issue: Upto 22,12,000
	Offer For Sale: Upto 20,00,000
Issue Size in Amount	aggreting up to Rs. 42.12 Cr.
Face Value	Rs. 10
Issue price	Rs. 95 to 100 per equity share
Lot Size	1200 Shares
Minimum Order Qnty.	1200 Shares
Listing at	BSE SME

Issue Structure

Market Maker Portion	Upto 2,12,000 Equity Shares
Non-Retail Portion	Upto 20,00,000 Equity Shares
Retail Portion	Upto 20,00,000 Equity Shares

Registrar of the Issue

Bigshare Services Pvt. Ltd.

Lead Manager of the Issue

Pantomath Capital Advisors Pvt. Ltd.

Promoters



MR. MINTO GUPTA,
PROMOTER & MANAGING DIRECTOR
Mr. Minto Gupta started Deccan Healthcare in 1996 with experience of over 20 years and has steered the company on a profitable journey. He has extensive experience and know-how in the field preventive and wellness products. His direction for Deccan Healthcare is critical in achieving strong a business performance and creating value for shareholders. Mr. Minto Gupta is an M.Sc. Bio-Chemistry from University of Mumbai. His career background includes research and management positions in companies such as Rallis India Ltd. (TATA Company), Ranbaxy Laboratories and SOL Pharmaceuticals. As early as 1998, he had written his vision: "to move health care from curative medicines to preventive supplements".



HITESH MOHANBHAI PATEL,
Promoter and Non Executive Director
Hitesh Patel, aged 43 years is the Promoter and Non Executive Director of our Company. He was appointed as additional director of our company on December 14, 2016 and regularised as on August 28, 2017. He has passed his Higher Secondary examination from Maharashtra Board. He is the guiding force behind all the strategic decisions..

COMPANY HIGHLIGHTS

1. Incorporated in 1996, Deccan Healthcare Ltd. (DHL) is into developing, manufacturing and marketing a broad range of healthcare products
2. Started business In 2010, DHL up its own manufacturing facility at SIDCUL Pantnagar, Rudrapur, Uttarakhand.
3. Company have introduced nutraceutical, cosmeceutical and ayurveda products. With an operating history of more than two decades, it is primarily known for its premium range of nutraceutical, ayurveda and cosmeceutical products.
4. It has also obtained FSSAI license for products and is also an ISO 9001:2015 certified for Management System for manufacturing and supply of Nutraceutical & Pharmaceutical Products.
5. DHL has also set up own portal for commercialisation of products and their distribution through e-commerce. The online portal for e-commerce are www.beyoungstore.com and www.deccanhealthcare.co.in.
6. The company has identified over 50 consumer wellness goals and over 200 diseases, disorders, disabilities which can be prevented by meeting RDA of micronutrients and we have innovated and developed cost effective products that are unique and differentiated to combat such diseases.
7. Strong presence across value chain viz. R&D, manufacturing, branding and distribution
8. Benefits of pricing power, superior cost control and data leveraging for decision making across various points of the value chain

Financials

For the year /period ended

Rupees in lakhs

Particular	Jun 30, 2018	FY18	FY17	FY16
Total assets	6,553.38	6,292.99	4959.59	2,934.45
Total Revenue	859.35	3,976.07	2,938.94	1,617.70
EBITDA	310.98	1,543.37	1,285.43	617.83
PAT	245.81	1,268.78	953.91	354.21

Few awards & Recognition

Leader with a Purpose Award
2018, INDIA LEADERSHIP -
Summit & Awards

Honoured at Kokilaben Dhirubhai
Ambani Hospital and Medical Re-
search Institute - 2017

Best Wellness Brand - Fastest Growing
Online Nutrition Store - ASSOCHAM
Nutraceuticals Excellence Awards 2018



trition gap which is a recognized cause of many diseases. The company has identified over 50 consumer wellness goals and over 200 diseases, disorders, disabilities which can be prevented by meeting RDA of micronutrients and we have innovated and developed cost effective products that are unique and differentiated to combat such diseases. Thus it is following a concept of "Prevention is better than Cure".

In 2010, DHL up its own manufacturing facility at SIDCUL Pantnagar, Rudrapur,

turing and supply of Nutraceutical & Pharmaceutical Products. Its R&D capabilities enable it to support growth strategy by developing new products and process which enhance its range of products and services. It has a diversified product portfolio with product basket consisting of more than 1,500 products used for various purposes such as hair care, skin care, heart care, immunity building, etc. It has the ability to supply products in various forms such as tablets, capsules, gel, liquids, oint-

is not required to maintain bifurcation of sales in the category of distributors, marketing agents, direct to consumers and e-commerce channel for domestic sales. It has a training centre for marketing agents wherein it trains them about business model and offer them various schemes and incentives to market its products. As on date of this Red Herring Prospectus, DHL has 140 distributors and around 6,100 marketing agents.

DHL has also set up own

ceiving encouraging response in this direction from consumers. It has a PAN India presence in domestic markets. Currently it has over 1.65 lakh loyal regular customers who are buying online and helping the company with word of mouth publicity.

KUPOSHAN HATAO, KHUSHIYAN LAO



<http://www.beyoungstore.com>



The days when inflation could topple governments appear to be gone. It is now time for the government to worry about falling prices, especially of food. Retail inflation dropped to a 17-month low of 2.33% in November, as compared to 3.31% in October, primarily due to the fall in the prices of various essential food items. Food prices fell by a huge 6.96 percentage points compared to a year ago and, at minus 2.61%, are now in deflationary territory for the second successive month. The fall in inflation is obviously good news for consumers, particularly those in urban India who are happy to pay less for their purchases; also for the Reserve Bank of India, which will now have more room for manoeuvre in the matter of interest rates. But it is bad news for the producers of basic food items who are located in the distress-affected rural parts of the country, with falling farm incomes also impacting landless labour and rural demand. At the heart of this problem is the unpredictability of farm prices, which are known to exhibit extreme levels of volatility owing to various supply-side issues that plague the agricultural sector. Though farmer producer companies have stepped in with help and guidance to farmers to use hedging tools to minimise price risks, they are too few and far between to make a difference. And even when their produce finally commanded impressive prices in the retail market, the cartelised agricultural marketing system has made sure that farmers received little to nothing.

Ahead of the general election next year, State governments across the country are likely to resort to short-term relief measures such as farm loan waivers to temporarily relieve farmers of their deep distress. Further, with the issue of rural distress now expected to significantly affect the general election verdict, the Bharatiya Janata Party and the Congress are already engaged in a competitive battle to offer the highest extent of loan waiver to farmers. There will also be pressure to announce higher minimum support prices for various agricultural goods. It is another matter that no government has ever had the wherewithal to deliver on such lofty promises. In fact, the poor implementation of MSPs is one of the reasons for farmers taking to the streets in protest. The Centre may prod the new RBI Governor to adopt a more dovish monetary policy stance in the run-up to the election citing falling inflation figures. But none of these measures will help farmers, who have increasingly taken the protest route of late to make their demands heard, in any meaningful manner in the long run. Real agricultural reform is crucial to enable farmers to freely make their own business decisions without the grabbing hand of the government.

ATTENTION

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Narendra Joshi, Editor, The Economic Revolution.

MARKET rEVIEW

work, working capital and general corpus fund needs, DHL is coming out with a maiden IPO of 4212000 equity shares of Rs. 10 each by way of book building route with a price band of Rs. 95-100 per share to mobilize Rs. 40.01 cr. to - 42.12 cr. (based on lower and upper price bands). The issue comprises of fresh equity issue of 2212000 shares and offer for sale (OFS) of 2000000 shares. The issue opens for subscription on 18.12.18 and will close on 20.12.18. Minimum application is to be made for 1200 shares and in multiples thereon, thereafter. Post allotment, shares will be listed on BSE SME. Issue constitutes 26.81% of the post issue paid up capital of the company. The issue is solely lead managed by Pantomath Capital Advisor Pvt. Ltd. while Bigshare Services Pvt. Ltd. is the registrar to the issue.

Having issued initial and subsequent equity at par, it also raised further equity in the price range of Rs. 16.80 to Rs. 35 per share between February 2008 and February 2018. It has also issued bonus shares in the ratio of 1 for 1 in January 2002. The average cost of acquisition of shares by the promoters is "Not Determinable" and Rs. 0.11 per share. Post issue, its current paid up equity capital of Rs. 13.50 cr. will stand enhanced to Rs.15.71 cr.

FINANCIAL PERFORMANCE:

On the performance front, for the last four fiscals, DHL has posted turnover/net profits of Rs. 16.18 cr. / Rs. 3.54 cr. (FY16) and Rs. 29.39 cr. / Rs. 9.54 cr. (FY17) and Rs. 39.76 cr. / Rs. 12.69 cr. (FY18). For the Q1 of FY19, it has earned a net profit of Rs. 2.46 cr. on a turnover of Rs. 8.59 cr. For the last three fiscals,

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it has posted an average EPS of Rs. 8.81 and an average RoNW of 38.77%.

The issue is priced at a P/BV of 3.47 on the basis of its NAV of Rs.28.84 as on 30.06.18. On the basis of its earnings for FY18 issue is priced at a P/E of 12.4. If we annualize latest earnings and attribute it on fully diluted equity post issue, then asking price is at a P/E of 16. According to management company has historical trends of higher turnover and profits from rainy season i.e. Q2 onwards and are confident of maintaining such trends going forward.

COMPARE WITH LISTED PEER:

As per offer document, it has shown Zydus Wellness as its listed peer that is currently trading at a P/E of around 37.8 (as on 14.12.18 closing).

MERCHANT BANKER'S TRACK RECORD.

On merchant banker's front, this is the 75th mandate from its stable in last three fiscals. Out of last 10 listings, all opened with a premium ranging from 0.05% to 8% on the day of listing.

Conclusion/Investment Strategy

DHL's original IPO launch plan in March/April 2018 was called off soon after announcement due to some technical lapses and is now finally on. The Company has proven track record of improved financials year after year. It has a creamy list of investors (that includes Kent RO, Valuworth Capital, DS Group etc.) in pre-IPO placements. Post issue, company will turn debt free and will have better earnings. Considering all these, Investors may considered it for long term.

Reviewer recommends Subscribing to the issue for Long Term.

DHL Corporate feature matter

Deccan Healthcare Ltd. (DHL) was incorporated in the year 1996, It is into developing, manufacturing and marketing a broad range of healthcare products including nutraceutical, cosmeceutical and ayurveda products. With an operating history of more than two decades, it is primarily known for its premium range of nutraceutical, ayurveda and cosmeceutical products. In the present competitive era of medicines and food supplements, DHL aim to distinguish identity by focusing on ways to bridge the nutrition gap which is a recognized cause of many diseases. The company has identified over 50 consumer wellness goals and over 200 diseases, disorders, disabilities which can be prevented by meeting RDA of micronutrients and we have innovated and developed cost effective products that are unique and differentiated to combat such diseases. Thus it is following a concept of "Prevention is better than Cure".

In 2010, DHL up its own manufacturing facility at SIDCUL Pantnagar, Rudrapur, Uttarakhand. The quality of products is evidenced by the number of



quality certifications that the Company has obtained from various local and international accreditation agencies. Its facility complies with GMP and WHO GMP for its health/diet supplements and ayurvedic products. It has also obtained FSSAI license for products and is also an ISO 9001:2015 certified for Management System for manufacturing and supply of Nutraceutical & Pharmaceutical Products. Its R&D capabilities enable it to support growth strategy by developing new products and process which enhance its range of products and services. It has a diversified product portfolio with product basket consisting of more than 1,500 products used for various purposes such as hair care, skin care, heart care, immunity building, etc. It has the ability to supply products in various forms such as tablets, capsules, gel, liquids, ointments, powder, pastes, etc.

DHL mainly develops and markets differentiated healthcare products specializing in nutraceutical and cosmeceutical products, which it commercializes through different revenue channels that takes the products solutions to the consumers which includes network of distributors, marketing agents, direct to consumers and e-commerce channel for domestic sales. The Company is not required to maintain bifurcation of sales in the category of distributors, marketing agents, direct to consumers and e-commerce channel for domestic sales. It has a training centre for marketing agents wherein it trains them about business model and offer them various schemes and incentives to market its products. As on date of this Red Herring Prospectus, DHL has 140 distributors and around 6,100 marketing agents.

DHL has also set up own portal for commercialisation of products and their distribution through e-commerce. The online portal for e-commerce are www.beyoungstore.com and www.deccanhealthcare.co.in. The Company has been re-

ceiving encouraging response in this direction from consumers. It has a PAN India presence in domestic markets. Currently it has over 1.65 lakh loyal regular customers who are buying online and helping the company with word of mouth publicity.

Its Promoters, Minto Gupta and Hitesh Patel have played an instrumental role in the growth of Company. Minto Gupta has been associated with Company since incorporation. He is the guiding force behind the research and development capabilities of the Company and under his guidance it has been able to successfully execute business strategies over the years. Other promoter Hitesh Patel joined hands with the Company in 2008 and has since then headed the Company for organic and strategic growth by tapping the expansion opportunities available at different phases of its business cycle.

According to management, one of its USP is its dealing in FMCH products, which is a fast growing sector. The emerging consumer habits and exposure through digital media and internet is disrupting the healthcare sector. The consumers are

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Date :17.12.2018 to 23.12.2018

THE ECONOMIC REVOLUTION

FINANCIAL WEEKLY

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DECCAN HEALTH CARE LIMITED

Our Company was originally incorporated as Deccan Health Care Limited at Hyderabad, Andhra Pradesh as a Public Limited Company under the provision of Companies Act, 1956 vide Certificate of Incorporation dated June 14, 1996 bearing Registration Number 01-24351 issued by the Registrar of Companies, Andhra Pradesh, Hyderabad. Subsequently, our Company was converted into a private limited company and the name of our Company was changed to Deccan Health Care Private Limited vide a Fresh Certificate of Incorporation dated June 12, 2009, issued by the Assistant Registrar of Companies, Andhra Pradesh. Further, our Company was converted into a public limited company pursuant to special resolution passed by the members in Extraordinary General Meeting held on August 12, 2017 and the name of our Company was changed to Deccan Health Care Limited vide a Fresh Certificate of Incorporation dated August 31, 2017, issued by the Registrar of Companies, Andhra Pradesh, Hyderabad. For details of Incorporation, Change of Name and Registered Office of our Company, please refer to chapter titled 'Our History and Certain Other Corporate Matters' beginning on page 170 of the Red Herring Prospectus.

Registered and Corporate Office: 247, 2nd floor, Dwarakapuri Colony, Punjagutta, Hyderabad – 500 082, Telangana, India. **Tel. No:** +91 40 40144508; **E-mail:** investor@deccanhealthcare.co.in; **Website:** www.deccanhealthcare.co.in; **Corporate Identification Number:** U72200TG1996PLC024351; **Contact Person:** Purnima Bhasin, Company Secretary and Compliance Officer

PROMOTERS OF OUR COMPANY: MINTO PURSHOTAM GUPTA AND HITESH PATEL

INITIAL PUBLIC OFFER OF 42,12,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH ("EQUITY SHARES") OF DECCAN HEALTH CARE LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹ [·] PER EQUITY SHARE (THE "OFFER PRICE") (INCLUDING A SHARE PREMIUM OF ₹ [·] PER EQUITY SHARE) AGGREGATING ₹ [·] LAKHS ("OFFER") COMPRISING A FRESH ISSUE OF 22,12,000 EQUITY SHARES AGGREGATING ₹ [·] LAKHS BY THE COMPANY ("FRESH ISSUE") AND AN OFFER FOR SALE OF 14,00,000 EQUITY SHARES BY HITESH PATEL (REFERRED TO AS THE "PROMOTOR SELLING SHAREHOLDER") AND 6,00,000 EQUITY SHARES BY MEENAKSHI GUPTA (REFERRED TO AS THE "SELLING SHAREHOLDER") (COLLECTIVELY KNOWN AS "SELLING SHAREHOLDERS") AGGREGATING 20,00,000 EQUITY SHARES BY THE SELLING SHAREHOLDER ("OFFER FOR SALE") AND TOGETHER WITH THE FRESH ISSUE ("THE OFFER").

THE OFFER COMPRISES OF 2,11,200 EQUITY SHARES OF FACE VALUE ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [·] PER EQUITY SHARE, AGGREGATING ₹ [·] LAKHS WHICH WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE OFFER (THE "MARKET MAKER RESERVATION PORTION"). THE OFFER LESS MARKET MAKER RESERVATION PORTION I.E. OFFER OF 40,00,800 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [·] PER EQUITY SHARE, AGGREGATING ₹ [·] IS HEREINAFTER REFERRED TO AS THE "NET OFFER", THE OFFER AND THE NET OFFER WILL CONSTITUTE 26.81% AND 25.46%, RESPECTIVELY OF THE POST OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

The Offer is being made for at least 25% of the post-Offer paid-up Equity Share capital of our Company in terms of chapter IX of the SEBI ICDR Regulations, 2018 as amended from time to time. The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, wherein not more than 50% of the Net Offer shall be allotted on a proportionate basis to QIBs. Further not less than 15 % of the Net Offer shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Offer Price.

Accordingly, the allocation of the Offer shall be made as follows -

QIB Category: Nil*

Retail Category: 50 % of the Net Offer

Non-Institutional Investor Category: 50 % of the Net Offer

Market Maker Reservation Portion: 2,11,200 equity shares aggregating 5.01 % of Offer size

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

Listing: The Equity Shares of our Company offered through the Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited ('BSE SME') in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an In-principle approval letter dated December 07, 2018 from BSE Limited for using its name in the Offer document for listing of our shares on the SME Platform of BSE Limited. For the purpose of this Offer BSE Limited shall be the Designated Stock Exchange.


DISCLAIMER CLAUSE OF BSE (DESIGNATED STOCK EXCHANGE): BSE Limited ("BSE") has given vide its letter dated December 07, 2018 permission to this Company to use its name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed on the SME Platform. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. BSE Limited does not in any manner:-

- warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- warrant that this Company's securities will be listed or will continue to be listed on BSE; or
- take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;
- warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.
- BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- The Company has chosen the SME platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE other regulatory authority. Any use of the SME platform and the related services are subject to Indian laws and Courts exclusively situated in Mumbai.

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

DISCLAIMER CLAUSE OF SEBI: Since the Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the Draft Red Herring Prospectus was not filed with SEBI. In terms of the Regulation 246 of SEBI ICDR Regulations, the SEBI shall not issue any observation on the Offer Document. However, pursuant to sub regulation (5) of regulation 246, the copy of Draft Red Herring Prospectus has been furnished to the board in a soft copy. Hence, there is no such specific disclaimer clause of SEBI. However, investors may refer to the entire "Disclaimer Clause of SEBI" on page 270 of the Red Herring Prospectus.

GENERAL RISK: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer including the risks involved. The Equity Shares issued in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 28 of the Red Herring Prospectus.

BOOK RUNNING LEAD MANAGER TO THE OFFER	REGISTRAR TO THE OFFER	COMPANY SECRETARY AND COMPLIANCE OFFICER
 PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED 406-408, Keshava Premises, Behind Family Court, Bandra Kurla Complex, Bandra East, Mumbai 400051. Tel: +91 22 6194 6700; Fax: +91 22 2659 8690; Investor Grievance Email: ipo@pantomathgroup.com; Email Id:- ipo@pantomathgroup.com; Website: www.pantomathgroup.com; Contact Person: Hardik Bhuta / Unmesh Zagade; SEBI Registration No.: INM000012110	 BIGSHARE SERVICES PRIVATE LIMITED 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai – 400059 Tel: +91 22 62638200; Fax: +91 22 62638299; Email: ipo@bigshareonline.com Website: www.bigshareonline.com; Investor Grievance Id: investor@bigshareonline.com Contact Person: Nilesh S Chalke; SEBI Registration Number: INR000001385	Purnima Bhasin 247, 2nd floor, Dwarakapuri Colony, Punjagutta, Hyderabad – 500 082, Telangana, India Tel: +91-40-40144508; Email: cs@deccanhealthcare.co.in Website: www.deccanhealthcare.co.in Investors may contact our Company Secretary and Compliance Officer and / or the Registrar to the Offer and / or the Book Running Lead Manager, in case of any pre-Offer or post- Offer related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account, or unblocking of ASBA etc.

AVAILABILITY OF BID CUM APPLICATION FORMS: Bid-cum-Application Forms can be obtained from the registered office of Deccan Health Care Limited, BRLM to the Offer: Pantomath Capital Advisors Private Limited, **Tel:** +91 22 6194 6700; **Fax:** +91 22 2659 8690; Syndicate member viz. Pantomath Stock Brokers Private Limited, **Tel:** +91 22 4257 7000; **Fax:** +91 22 2659 8690; Registrar to the Offer: Bigshare Services Private Limited; **Tel:** +91 22 62638200; **Fax:** +91 22 62638299 Bid-cum-application Forms will also be available at selected location of registered brokers, RTA participating in this Offer, DP and on the website of BSE Limited and at the designated branches of SCSBs, the list of which is available on the website of BSE Limited on www.bseindia.com and SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

AVAILABILITY OF RED HERRING PROSPECTUS: Investors should note that Investment in Equity Shares involves a high degree of risk and investors are advised to refer to the Red Herring Prospectus and the Risk Factors contained therein, before applying in the Offer. Full copy of the Red Herring Prospectus will be available at the website of SEBI at www.sebi.gov.in, the website of Stock Exchange at www.bseindia.com, the website of Book Running Lead Manager at www.pantomathgroup.com and the website of our Company at www.deccanhealthcare.co.in.

APPLICATIONS SUPPORTED BY BLOCKED AMOUNT (ASBA): Investors have to compulsorily apply through the ASBA process. ASBA has to be availed by all the investors except anchor investors. The investors are required to fill the application form and submit the same to the relevant SCSB at the specified location or registered brokers at the broker centres or RTA or DP. The SCSB will block the amount in the account as per the authority contained in application form. On allotment, amount will be unblocked and account will be debited only to the extent required to be paid for allotment of shares. Hence, there will be no need of refund. The application forms can also be downloaded from the website of BSE Limited. Application forms can be obtained from the list of banks that are available on website of SEBI at www.sebi.gov.in. For more details on the ASBA process, please refer to the details given in application forms and Red Herring Prospectus and also please refer to the chapter titled "Offer Procedure" on page 285 of the Red Herring Prospectus.

Bankers to the Offer / Refund Banker to the Offer: ICICI Bank Limited & IndusInd Bank Limited.

BID/OFFER PROGRAMME

OPENS ON: TUESDAY, DECEMBER 18, 2018*
CLOSES ON: THURSDAY, DECEMBER 20, 2018

ASBA *

Simple, Safe, Smart way of Application – Make use of it !!!

*Applications Supported by Blocked Amount(ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, investors can avail the same. For details, check section on ASBA below.

Mandatory in public issues from January 01, 2016. No cheque / demand draft will be accepted.

In case of any revisions in the Price Band or force majeure, banking strike or similar circumstances, for reasons to be recorded in writing, the Bid/Offer Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release, and also by indicating the change on the website of the BRLM and the terminals of the Syndicate Members and by intimation to the SCSBs, Registrar to the Issue and Share Transfer Agent(s), Collecting Depository Participants and the Registered Brokers.

Bidders should note that on the basis of PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidder may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder as available on the records of the depositories. These Demographic Details may be used, among other things, for blocking or unblocking of ASBA Account or for other correspondence(s) related to an Offer. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders' sole risk. Bidders should ensure that PAN, DP ID and the Client ID are correctly filled in the Bid cum Application Form. The PAN, DP ID and Client ID provided in the Bid cum Application Form should match with the PAN, DP ID and Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders should note that the beneficiary account provided in the Bid cum Application Form is active.

Contents of the Memorandum of the Company as regards its Objects: Investors are requested to refer to clause III of the Memorandum of Association of the Company for the main objects to provide and other objects of the Company. The Memorandum of Association of the Company is a material document for inspection in relation to the Offer. For details, see the section "Material Contracts and Documents for Inspection" on page 363 of the Red Herring Prospectus.

Liability of the members of the Company: Limited by shares.

Amount of share capital of the Company and Capital structure: The authorised, issued, subscribed and paid up share capital of the Company as on the date of the Red Herring Prospectus is as follows: The authorised capital of the Company is ₹ 18,00,00,000 divided into 1,80,00,000 Equity Shares of ₹ 10 each. The issued, subscribed and paid-up share capital of the Company is ₹ 13,50,14,300 divided into 1,35,01,430 Equity Shares of ₹ 10 each. For details, see the chapter "Capital Structure" on page 73 of the Red Herring Prospectus.

Names of signatories to the Memorandum of Association of the Company and the number of Equity Shares subscribed by them: P. Koteswara Rao, P. Ratna Sree, P. Chiranjeevi, Mohan Lal Gupta, Meenakshi Gupta, P. Hemalatha and P. Hemalatha subscribed 10 equity shares each, Total Equity Shares = 70.

Price Band: ₹ 95 to ₹ 100 Per Equity Share of Face Value of ₹ 10 each.
The face value of equity shares is ₹ 10 each.

Bids can be made for a minimum of 1,200 Equity Shares and in multiples of 1,200 Equity Shares thereafter.

RISKS TO INVESTORS:

- This being the first public Offer of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each. The Offer Price as stated in "Basis for Offer Price" on page 102 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed on SME platform of BSE Limited. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.
- As on date of the Red Herring Prospectus, the average cost of acquisition per Equity Share by our Promoters viz. Minto Purshotam Gupta is Not Determinable and Hitesh Patel is 0.11.

For Deccan Health Care Limited
On behalf of the Board of Directors
Sd/-
Minto Purshotam Gupta
Managing Director

Date : December 14, 2018
Place : Hyderabad

DECCAN HEALTH CARE LIMITED is proposing, subject to market conditions, public offer of its equity shares and has filed the Red Herring Prospectus with the Registrar of Companies, Hyderabad. The Red Herring Prospectus is available on the website of SEBI at www.sebi.gov.in, the website of the Book Running Lead Manager at www.pantomathgroup.com, website of the BSE at www.bseindia.com and website of Issuer Company at www.deccanhealthcare.co.in. Investors should note that investment in Equity Shares involves a high degree of risk. For details, investors shall refer to and rely on the Red Herring Prospectus including the section titled "Risk Factors" beginning on page no. 28 of the Red Herring Prospectus, which has been filed with ROC. The Equity Shares have not been and will not be registered under the US Securities Act (the "Securities Act") or any state securities law in United States and may not be issued or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in the 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 of 1933.

C O N C E P T