



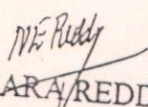
Biological E. Limited

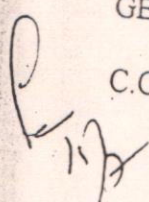
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The Demand Notice is entirely derogatory of the commitment / undertaking given by the State Government before the Hon'ble Supreme Court of India. The Action in issuing demand notices is symptomatic of non-application of mind. Therefore, we are sincerely of the view that the notice is bad and the increase effected shall be set aside immediately. We are quite open for any discussion/negotiation with the Competent Authority / State Government for converting the lease-hold rights into free-hold rights. For the past 50 years, we have been contributing significantly to the economy, and society in one way or the other. We are the earliest established pharmaceutical company in India. Under the circumstances, more particularly, when the Government admits that our company is a category I lessee, we earnestly request the State Government not to disturb us in any manner and allow us to continue to make our contributions. We assure the Government that we will continue to abide by the terms and conditions of the lease without any deviation or violation. Till such time, we therefore pray the Hon'ble Minister to stay the Demand Notice and pass such other order / orders as deemed necessary under the circumstances.

Thanking you,

Yours sincerely,
For BIOLOGICAL E LIMITED


N.ESWARAREDDY
GENERAL MANAGER - LEGAL


C.C. to Competent Authority and Commissioner of Industries, Abids, Hyderabad.